



NAVAL POSTGRADUATE SCHOOL

MONTEREY, CALIFORNIA

THESIS

**THE INSTITUTIONALIZATION OF DRUG TRAFFICKING
ORGANIZATIONS: COMPARING COLOMBIA AND
BRAZIL**

by

Manuel J. Dominguez

September 2010

Thesis Advisor:

Maiah Jaskoski

Second Reader:

Marcos T. Berger

Approved for public release; distribution is unlimited

THIS PAGE INTENTIONALLY LEFT BLANK

REPORT DOCUMENTATION PAGE			<i>Form Approved OMB No. 0704-0188</i>	
Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0188) Washington DC 20503.				
1. AGENCY USE ONLY (Leave blank)		2. REPORT DATE September 2010	3. REPORT TYPE AND DATES COVERED Master's Thesis	
4. TITLE AND SUBTITLE The Institutionalization of Drug Trafficking Organizations: Comparing Colombia and Brazil			5. FUNDING NUMBERS	
6. AUTHOR(S) Manuel J. Dominguez				
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) Naval Postgraduate School Monterey, CA 93943-5000			8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING /MONITORING AGENCY NAME(S) AND ADDRESS(ES) N/A			10. SPONSORING/MONITORING AGENCY REPORT NUMBER	
11. SUPPLEMENTARY NOTES The views expressed in this thesis are those of the author and do not reflect the official policy or position of the Department of Defense or the U.S. Government. IRB Protocol number _____.				
12a. DISTRIBUTION / AVAILABILITY STATEMENT Approved for public release; distribution is unlimited			12b. DISTRIBUTION CODE	
13. ABSTRACT (maximum 200 words) Drug Trafficking Organizations (DTOs) have emerged as important informal institutions in Latin America. This thesis looks at: 1) the emergence of DTOs within Colombia and Brazil, 2) how DTOs meet the criteria for being informal institutions, and 3) what sustains DTOs. In both cases, drug trafficking was shaped by expansions and shifts of drug production within the Andean region from the 1960s onward. DTOs in Colombia emerged in the mid-1960s and 1970s while DTOs in Brazil took root with the introduction of the drug trade in the region in the late 1970s to early 1980s. DTOs in Colombia and Brazil qualify as informal institutions based on structural composition, stability, behavioral control, and social cohesion. Sustainability in the Colombian case study is attributed to the DTOs' capacity to learn and adapt to U.S. and Colombian efforts while capitalizing on policy failures. Sustainability in the Brazilian case study is attributed to the DTOs' capacity to become entrenched in favela (poor urban) zones. Analysis of the case studies reveals divergent paths and characteristics of DTOs. In particular, internal warfare coupled with an emphasis on illicit drug production in Colombia has led DTOs to focus on the control of rural land. In Brazil, meanwhile, the absence of internal conflict and the emphasis on illicit distribution (retail) in Brazil has resulted in the DTOs focusing on controlling points of sale and internal, informal governance within the favela zones.				
14. SUBJECT TERMS Drug Trafficking, Informal Institutions, Colombia, Brazil			15. NUMBER OF PAGES 101	
			16. PRICE CODE	
17. SECURITY CLASSIFICATION OF REPORT Unclassified	18. SECURITY CLASSIFICATION OF THIS PAGE Unclassified	19. SECURITY CLASSIFICATION OF ABSTRACT Unclassified	20. LIMITATION OF ABSTRACT UU	

NSN 7540-01-280-5500

Standard Form 298 (Rev. 2-89)
Prescribed by ANSI Std. Z39-18

THIS PAGE INTENTIONALLY LEFT BLANK

Approved for public release; distribution is unlimited

**THE INSTITUTIONALIZATION OF DRUG TRAFFICKING
ORGANIZATIONS: COMPARING COLOMBIA AND BRAZIL**

Manuel J. Dominguez
Lieutenant, United States Navy
B.A., University of Texas, 2004

Submitted in partial fulfillment of the
requirements for the degree of

**MASTER OF ARTS IN SECURITY STUDIES
(WESTERN HEMISPHERE)**

from the

**NAVAL POSTGRADUATE SCHOOL
September 2010**

Author: Manuel J. Dominguez

Approved by: Maiah Jaskoski, PhD
Thesis Advisor

Marcos T. Berger, PhD
Second Reader

Harold A. Trinkunas, PhD
Chairman, Department of National Security Affairs

THIS PAGE INTENTIONALLY LEFT BLANK

ABSTRACT

Drug Trafficking Organizations (DTOs) have emerged as important informal institutions in Latin America. This thesis looks at: 1) the emergence of DTOs within Colombia and Brazil, 2) how DTOs meet the criteria for being informal institutions, and 3) what sustains DTOs. In both cases, drug trafficking was shaped by expansions and shifts of drug production within the Andean region from the 1960s onward. DTOs in Colombia emerged in the mid-1960s and 1970s while DTOs in Brazil took root with the introduction of the drug trade in the region in the late 1970s to early 1980s. DTOs in Colombia and Brazil qualify as informal institutions based on structural composition, stability, behavioral control, and social cohesion. Sustainability in the Colombian case study is attributed to the DTOs' capacity to learn and adapt to U.S. and Colombian efforts while capitalizing on policy failures. Sustainability in the Brazilian case study is attributed to the DTOs' capacity to become entrenched in favela (poor urban) zones. Analysis of the case studies reveals divergent paths and characteristics of DTOs. In particular, internal warfare coupled with an emphasis on illicit drug production in Colombia has led DTOs to focus on the control of rural land. In Brazil, meanwhile, the absence of internal conflict and the emphasis on illicit distribution (retail) in Brazil has resulted in the DTOs focusing on controlling points of sale and internal, informal governance within the favela zones.

THIS PAGE INTENTIONALLY LEFT BLANK

TABLE OF CONTENTS

I.	INTRODUCTION.....	1
A.	IMPORTANCE OF DRUG TRAFFICKING ANALYSIS.....	3
B.	DTOS AS INFORMAL INSTITUTIONS	5
C.	LITERATURE REVIEW	10
D.	CASE SELECTION.....	15
1.	The Colombian Context	16
2.	A Brief History of Brazil’s Favelas.....	18
E.	THESIS ORGANIZATION.....	21
II.	COLOMBIAN DTOS: ORIGINS AND INSTITUTIONAL ANALYSIS	25
A.	THE EMERGENCE OF COLOMBIAN DTOS.....	25
B.	COLOMBIAN DTOS AS INFORMAL INSTITUTIONS.....	30
1.	Structurally Connected to Society	30
2.	Stability	32
3.	Internally Disciplined	36
4.	Internally Cohesive	37
C.	CONCLUSION	39
III.	BRAZILIAN DTOS: ORIGINS AND INSTITUTIONAL ANALYSIS.....	41
A.	THE EMERGENCE OF BRAZILIAN DTOS.....	41
B.	BRAZILIAN DTOS AS INFORMAL INSTITUTIONS.....	46
1.	Structurally Connected to Society	46
2.	Stability	48
3.	Internally Disciplined	51
4.	Internally Cohesive	54
C.	CONCLUSION	57
IV.	DTOS: WHAT SUSTAINS THEM?	59
A.	COLOMBIA	60
B.	BRAZIL	69
V.	CONCLUSION	75
	LIST OF REFERENCES	79
	INITIAL DISTRIBUTION LIST	87

THIS PAGE INTENTIONALLY LEFT BLANK

LIST OF ACRONYMS AND ABBREVIATIONS

ADA	Amigos dos Amigos (Friends of Friends)
AMs	residency associations
AUC	United Self-Defense Forces of Colombia
CV	<i>Comando Vermelho</i> (Red Command)
DTOs	drug trafficking organizations
ELN	The National Liberation Army
FARC	The Revolutionary Armed Forces of Colombia
GAO	Government Accountability Office
PCC	Primeiro Comando da Capital
TCP	Pure Third Command

THIS PAGE INTENTIONALLY LEFT BLANK

ACKNOWLEDGMENTS

First and foremost, I acknowledge and thank the Lord, through which all things are possible. Second, I thank my family who have always supported my endeavors and have been a constant source of strength in my life. Dad, I know you will beat this cancer; you are always in my thoughts and prayers.

I would also like to extend special gratitude to my advisors. First, I would like to thank Professor Maiah Jaskoski; you are truly a credit to your profession. Like Centeno once said, you taught me the value of not just learning the answers, but asking the right questions and validating academic research with the right methods. I will always remember your guidance and approach. Also, I extend my gratitude to Professor Marcos Berger for helping me transition into Latin American studies and giving me the roots that forever sparked my interest in the subject matter.

I also extend my gratitude to the staff and faculty at Naval Postgraduate School, there are immeasurable instances and contributions that have helped me personally and professionally, thank you.

Last, but certainly not least, I extend special gratitude to my wife, Jennifer. You have been my biggest fan and source of strength. You always knew the right balance to strike in helping me succeed. Jennifer, thank you for not only being my wife, but my best friend as well.

THIS PAGE INTENTIONALLY LEFT BLANK

I. INTRODUCTION

Illegal, informal institutions that are firmly entrenched in society jeopardize state and human security. Historically and currently Drug Trafficking Organizations (DTOs) have often emerged as important informal institutions in Latin America. In many cases, these drug trafficking organizations (DTOs) operate in the context of shadow sovereignty, whereupon the organizations possess both the resources and the threat of violence to control certain areas with relative impunity. This thesis looks at DTOs in Colombia and Brazil as important case studies for understanding the drug trade in differing contexts. Analysis of DTOs in Colombia and Brazil offer important comparisons from which two important drug trade factors can be drawn. Internal conflict and drug production (or lack thereof) shapes the very nature of drug trafficking in these countries. Colombia experiences civil war; hence, Colombian DTOs place emphasis on drug production and international distribution. Brazil on the other hand lacks civil war; hence, Brazilian DTOs are focused on drug sales within the country. To flesh out the analysis this thesis looks at: 1) the emergence of DTOs in Colombia and Brazil, 2) how these DTOs meet the criteria for being informal institutions, and, 3) what sustains these organizations.

First, in both cases, drug trafficking was shaped by expansions and shifts in drug production within the Andean region. Geographic proximity facilitated this pattern as drug trafficking progressed into Colombia and Brazil. Specifically, DTOs in Colombia manifested in the mid-1960s and 1970s, while DTOs in Brazil manifested with the introduction of the drug trade in the late 1970s to early 1980s. Second, DTOs in Colombia and Brazil qualify as informal institutions based on four institutional parameters; these parameters consist of structural composition, stability, behavioral control and social cohesion. Finally, sustainability for DTOs in the case studies is addressed. Sustainability in the Colombian case study is attributed to two factors, the first being competitive adaptation. Competitive adaptation refers to how traffickers learn within “complex adaptive systems; within these systems, DTOs gather and analyze

information to change practices and outmaneuver their opponents.”¹ The second factor of sustainability in Colombia is attributed to strategic failures on the part of U.S. and Colombian policies. Sustainability in the Brazilian case study is attributed to social networks. Specifically, DTOs in Brazil’s favelas,² entrench and empower themselves within these large slums in Brazil’s major cities. Colombia and Brazil exhibit similarities and differences in how DTOs operate in their respective contexts.

With regard to how DTOs first emerged, the cases studies paint a picture of pre-existing conditions and illicit networks that linked up to a burgeoning drug trade. In this regard, the case studies are similar. Nonetheless, we also observe important variations. As illicit cultivation shifted in the Andean region, drug production and trafficking found a home in Colombia. The drug dynamics in Colombia were increasingly shaped by insurgency and paramilitary factors, and the trade manifested in areas outside state control, such as rural lands owned by insurgent and paramilitary forces. Brazil on the other hand became a corridor for trafficking, and the illicit trade increasingly catered to an insular domestic market. Brazil’s domestic insular market comprises of favelas, these “brown areas”³ are more or less run outside the auspices of the state.

In addition to analyzing the emergence of these DTOs, the thesis highlights similarities and differences of DTOs as institutions in order to understand how they operate in their specific contexts. DTOs in both cases operate as informal institutions and exhibit similarities with respect to structural composition, stability, behavioral control and social cohesion. Institutional similarities are attributed to the general nature of criminal enterprise in of itself; this observation holistically characterizes organizations involved in illicit activities. Institutional differences in these DTOs are shaped by the specific and differing contexts in which DTOs operate. After highlighting these

¹ Michael Kenney, *From Pablo to Osama: Trafficking and Terrorist Networks, Government Bureaucracies, and Competitive Adaptation* (University Park, Pennsylvania: Pennsylvania University Press, 2007), 6.

² Favelas are characterized as slum cities built along the hillsides of Rio and other Brazilian cities (Huguet and Carvalho 2008, 95).

³ Brown areas are geographical territories that display characteristics of low or non-existent state presence (in terms of a reasonable set of effective bureaucracies and of the effectiveness of properly sanctioned legality) (O'Donnell 1993, 1359).

institutional similarities and differences, the thesis also addresses similarities and differences in what sustains the DTOs in the case studies.

In looking at sustainability factors, DTOs in both cases have proven to be organic, evolving entities. In Colombia, sustainability is attributed to competitive adaptation and strategic failures in U.S. and Colombian policies. In Brazil, sustainability is attributed to informal networks. The essential take-away is what sustains these DTOs in their respective contexts. Colombian DTOs competitively adapt to counter-drug efforts to ensure continued cultivation, production, transportation, and distribution of illicit drugs with a focus on the international market. Moreover, strategic failures in U.S. and Colombian policy have attributed to the continued proliferation of DTOs and the drug trade. These strategic failures are highlighted by piecemeal approaches toward actors within the drug trade as well as elements of failure within Plan Colombia.⁴ Brazilian DTOs utilize social networks control the drug trade within favela zones, and they (DTOs) possess a focus that is much more insular in catering to a domestic market. The nature of drug trafficking in Colombia and Brazil emerges and operates differently due to varying political, societal, and state-capacity contexts. The next section addresses the importance of looking at drug trafficking from an overall perspective, and why DTOs deserve special attention.

A. IMPORTANCE OF DRUG TRAFFICKING ANALYSIS

As a whole, the study of drug trafficking requires analysis in order to understand and stave off continued proliferation of illicit drugs. The transnational trend of drug trafficking affects the western hemisphere and erodes the basis of state capacity across much of Latin America.⁵ First, we should take note of cyclical economic crises and pervasive socioeconomic inequality among many citizens.⁶ Moreover, informal economies and drug trafficking organizations influence citizens' socioeconomic choices

⁴ Plan Colombia is a \$1.3 billion funding plan from the United States to Colombia in counter-insurgency and counter-narcotics efforts (2000–2008).

⁵ Michael Shifter, "Latin America's Drug Problem," *Current History* (February 2007): 58.

⁶ Henry Veltmeyer and James Petras, "Social Structure and Change in Latin America," In *Latin America: Its Problems and Its Promise*, by Jan Knippers Black (New York, NY: Westview Press, 2005).

in Latin America.⁷ Given the pervasive social and economic inequality present in both Colombia and Brazil, it seems that drug trafficking organizations provide opportunities that governments cannot. These economic factors coupled with comparatively scarce counter-drug resources, means the governments of Latin America are ill equipped to compete with DTOs in many respects. This trend adversely impacts the prospects for democracy in the region because the drug trade threatens citizen security, state capacity, and the basis for rule of law. In addition, as drug trafficking continuously infiltrates North America, the negative spill-over effects will continue to threaten security for the United States and the western hemisphere as a whole. DTOs facilitate this trend of drug trafficking that erodes the western hemisphere.

As chief purveyors of illicit drugs, DTOs require explicit attention; historical proliferation of the drug trade questions the nature of DTO perseverance. How have DTOs staved off state prosecution and drug eradication efforts for so long? Because these organizations jeopardize state and human security, it is imperative to identify factors enabling the institutionalization of drug trafficking organizations. While most drug policy debate explores a myriad of counter-drug initiatives and approaches, less focus has been paid to how drug trafficking organizations become institutionalized. It is important to note that these organizations have the capacity to infiltrate the state on many levels and operate with relative impunity.⁸ While these organizations may not have political goals of insurgency groups or terrorists, their resources, connections, and ability to exercise unchecked violence threatens to supplant the state as the legitimate sovereign on the sub-national level.

Understanding the institutionalization of DTOs is a preliminary step in understanding these organizations. Understanding divergent paths by which DTOs take root and are maintained offers more insight into preventing these organizations from

⁷ Friedrich Schneider and Enste H. Dominik, "Shadow Economies: Size, Causes, and Consequences," *Journal of Economic Literature* 38, no.1 (March 2000): 77–78 and Alejandro Portes et al., *The Informal Economy: Studies in Advanced and Less Developed Countries* (Baltimore, MD: John Hopkins University Press, 1989), 1–7.

⁸ Adriana Beltran, *The Captive State: Organized Crime and Human Rights in Latin America*, WOLA Special Report, Washington, D.C.: Washington Office on Latin America (October 2007), 2.

growing stronger or even emerging in the first place. Contemporary analysis points to national level counter-drug studies that fail to take into account the specific contexts in which DTOs operate as institutions. Examples of national level analysis include reports by the Latin America commission on Drugs and Democracy (2009) and the Council on Foreign Relations Independent Task Force (2008). These reports are useful for looking at regions but do not provide country-specific analysis of DTOs. The reports cite parameters such as global demand and pervasive inequality as crucial factors for global drug trends.⁹ DTOs in these reports are observed problems with no added analysis. Country specific policy frameworks such as Plan Colombia and the Merida Initiative (Mexico) identify micro-level factors in the drug trade, such as insurgency or weakened judicial institutions.¹⁰ However, these frameworks fail to address the specific contexts in which DTOs operate as institutions. By identifying roots, institutional parameters, and sustainability of DTOs in the case studies of Colombia and Brazil, policy can be developed to curtail the proliferation of DTOs in their respective contexts. While DTOs have been established as facilitators of drug trafficking, the next section discusses institutionalism as applied to DTOs to gain further understanding.

B. DTOS AS INFORMAL INSTITUTIONS

This section explains how the institutional parameters of structural composition, stability, behavioral control and social cohesion were chosen for analyzing DTOs in the case studies. Understanding how DTOs qualify as informal institutions enhances the understanding of these organizations on three levels: first how they emerged, second, how DTOs are characterized, and finally, how DTOs sustain themselves as viable

⁹ James T. Hill, Charlene Barshefsky, and Shannon K. O'Neil, U.S.-Latin American Relations: A New Direction for a New Reality. Independent Task Force Report No. 60, New York, NY: Council on Foreign Relations (2008); and Latin American Commission on Drugs & Democracy, "Drugs and Democracy: Toward a Paradigm Shift," Latin American Commission on Drugs & Democracy, Rio de Janeiro: Latin American Commission on Drugs & Democracy (2009), 5–11.

¹⁰ GAO, Plan Colombia: Drug reduction goals were not fully met, but security has improved; U.S. agencies need more detailed plans for reducing assistance, GAO Report 09-71, Washington, D.C.: Government Accountability Office (October 2008); and Clare R Seelke, Merida Initiative for Mexico and Central America: Funding and Policy Issues. Washington, D.C.: Congressional Research Service (January 13, 2009).

institutional entities. The next paragraph outlines what institutionalization encompasses and how Colombian and Brazilian DTOs are characterized as informal institutions.

There are many definitions of institutions, and such definitions can be applied across the board in the organizational, political and social sense. Within this thesis, institutions are understood as a collection of norms, rules, understandings, and routines. Moreover, these characteristics may be embedded in specific structures or organizations.¹¹ Informal institutions embody the same characteristics as formal institutions with important caveats. Informal institutions encompass “socially shared rules, usually unwritten, that are created, communicated, and enforced outside of officially sanctioned channels.”¹² By contrast, formal institutions are enforced via widely accepted official channels; moreover, many of the rules and norms are documented or published. These definitions encapsulate both formal and informal institutions. Furthermore, it is important to discern institutionalization as a process. Institutions are social structures or organizations, whereas institutionalization is the process by which these entities (social structures or organizations) develop social habits or highly recognized patterns of behavior that change little over time.¹³ Colombian and Brazilian DTOs display informal institutional characteristics. DTOs also qualify as informal institutions because they operate outside officially sanctioned channels.

Understanding DTOs as informal institutions entails further codification and established literature allows for varied interpretations of both formal and informal institutions. Thus, the thesis characterizes DTOs through a combination of parameters. Structural composition, stability, behavioral control, and social cohesion represent the best synthesis (among utilized literature) for defining informal institutions. Moreover, these parameters provide a common basis for looking at DTOs in the case studies. The

¹¹ James G. March and Johan P. Olsen, *Rediscovering Institutions* (New York: Free Press, 1989), 21–26; and “Chapter 34: The Logic of Appropriateness,” In *The Oxford Handbook of Public Policy*, by Michael Moran, Martin Rein and Robert E. Goodwin (New York, NY: Oxford University Press, 2008), 691.

¹² Gretchen Helmke and Steven Levitsky, “Informal Institutions and Comparative Politics: A Research Agenda,” *Perspective on Politics* 2:4 (December 2004): 727.

¹³ Adam Kuper and Jessica Kuper, *The Social Science Encyclopedia*. 2nd Ed (New York, NY: Routledge, 1996), 417.

following paragraphs illustrate how the above parameters will be utilized to define Colombian and Brazilian DTOs as informal institutions. Moreover, justification is provided through synthesis of resources.

Structural composition is utilized as an institutional parameter to differentiate DTOs from the phenomenon of drug trafficking more broadly. Specifically, “structural composition” refers to how DTOs emerge as prominent actors within and as a part of society. Criminal enterprise incorporates marginalized actors that engage in nefarious or unaccepted practices; while this is true, the Colombia and Brazil case studies illustrate DTOs as prominent features of society in their respective contexts. Structural composition is derived from Kuper & Kuper, whereupon social institutions are considered a structural feature of society.¹⁴ Moreover, the parameter draws from Huntington, where an organization may be defined by its autonomy-subordination dynamic.¹⁵ According to Huntington, an institution is differentiated and insulated from other entities and is therefore subject to degrees of autonomy-subordination. Thus, the synthesis of Kuper and Huntington provides our first institutional parameter.

Stability refers to how long an institution has been in existence, regardless of varying contexts. The longer an organization has been in existence, means the higher the level of institutionalization that will occur; moreover, the degree of stability indicates the enhanced potential for the continued existence of an organization in the future.

The probability that an organization which is one hundred years old will survive one additional year...is perhaps one hundred times greater than the probability that an organization one year old will survive one additional year.¹⁶

DTOs have existed since the 1970s in Colombia and the 1980s in Brazil. Despite counter-drug efforts in these countries, the drug trade and associated organizations have proliferated in contemporary times. In Colombia, drug trafficking remains a prominent

¹⁴ Adam Kuper and Jessica Kuper, *The Social Science Encyclopedia*. 2nd Ed (New York, NY: Routledge, 1996), 417.

¹⁵ Samuel P. Huntington, “Political Development and Political Decay.” *World Politics* 17, no. 3 (1965): 401.

¹⁶ *Ibid.*, 395.

problem in the region as witnessed by the continuation of near pre-Plan Colombia levels of production and distribution of cocaine.¹⁷ Moreover, the drug trade in Brazil still exists today as witnessed by drug violence raging in contemporary Rio.¹⁸ These observations point to the continued prevalence of illicit drugs and shows the stability of Colombian and Brazilian DTOs. Stability as an institutional parameter synthesizes Huntington's characteristics of adaptability-rigidity and complexity-simplicity when looking at organizations.¹⁹ Adaptability-rigidity refers to chronological age, generational age, and functional terms of an institution. Complexity-simplicity refers to diversification of functions (lest the institution outlives its means) within an institution. Both characteristics provide measurement for long-term viability of an institution. Thus, Huntington's assessment is synthesized as stability within the thesis.

Behavioral control refers to how institutions place expectations and rules on their members through officially or unofficially sanctioned channels.²⁰ DTOs within the cases studies impose limits on their members and affect individual behavior through retribution and accountability. In this respect, behavioral control characterizes DTOs as institutions and illustrates a facet of how DTOs operate. Behavioral control as an institutional parameter synthesizes literature from Huntington, Helmke & Levitsky, as well as March & Olsen. The underlying theme of the authors' assessments point to implied understanding of appropriate action and mechanisms for control, placed on and within the institution. The synthesis of literature surrounding expectations and mechanisms provides another parameter for analyzing DTOs.

¹⁷ United Nations Office on Drugs and Crime, *Trends in World Drug Markets: 1.3 Coca / Cocaine Market*, World Drug Report, New York, NY: United Nations Publications (2007).

¹⁸ CSIS, "Drug Wars in Rio de Janeiro." Center for Strategic and International Studies: Transnational Threats Project (October 2009): 4.

¹⁹ Samuel P. Huntington, "Political Development and Political Decay." *World Politics* 17, no. 3 (1965): 394–400.

²⁰ Gretchen Helmke and Steven Levitsky, *Informal Institutions and Democracy: Lessons from Latin America* (Baltimore, MD: Johns Hopkins University Press, 2006), 21; and James G. March and Johan P. Olsen, "Chapter 34: The Logic of Appropriateness." In *The Oxford Handbook of Public Policy*, by Michael Moran, Martin Rein and Robert E. Goodwin, 690–708 (New York, NY: Oxford University Press, 2008), 690–700.

Social cohesion encompasses shared ideals, beliefs, and values among members of an institution. Social cohesion is utilized as a parameter to identify members within an organization. Social cohesion begets social collectivity, as members define themselves as part of a DTO, “they do what they see as appropriate for themselves in a specific type of situation, based on identity-driven conceptions.”²¹ Drug trafficking organizations display social cohesion that culminates into a common social identity. This social identity is also based on the utilization of symbol systems, cognitive scripts, and moral templates that guide action for members within the institution.²² Social cohesion as an institutional parameter synthesizes literature from Huntington, March & Olsen, as well as Hall & Taylor. Specifically, Huntington refers to coherence-disunity or an organization’s level of consensus.²³ March & Olsen refer to members’ collectiveness in practicing rules of appropriateness within an institution. Lastly, Hall & Taylor highlight sociological institutionalism, whereupon the institution incorporates symbols, scripts, and moral templates for action. The authors provide the basis for synthesis within the thesis whereupon social cohesion is utilized to characterize informal institutions such as DTOs.

Based on the characteristics of structural composition, stability, behavioral control, and social cohesion drug trafficking organizations are informal institutions. The nature of drug trafficking in Colombia and Brazil emerges differently due to varying political, societal, and state-capacity contexts. Subsequent chapters offer more detail. The next section highlights established literature and explanations surrounding the institutionalization of DTOs in general. Furthermore, the next section explains why existing literature falls short in explaining the institutionalization of DTOs.

²¹ James G. March, and Johan P. Olsen, “Chapter 34: The Logic of Appropriateness.” In *The Oxford Handbook of Public Policy*, by Michael Moran, Martin Rein and Robert E. Goodwin, 690–708 (New York, NY: Oxford University Press, 2008), 689, 693.

²² Peter A. Hall and Rosemary C.R. Taylor, *Political Science and the Three New Institutionalisms*. MPIFG Discussion Paper, Cambridge, MA: MPIFG Scientific Advisory Board (June 1996), 14.

²³ Samuel P. Huntington, “Political Development and Political Decay.” *World Politics* 17, no. 3 (1965): 403–405.

C. LITERATURE REVIEW

There are four explanations we can draw upon from literature to explain how DTOs have become institutionalized; these comprise of: 1) market considerations, 2) state-capacity conditions, 3) cultural perceptions of socioeconomic choices, and 4) network linkages. While these explanations provide important insight for our case studies, no explanation establishes singular causation in the Colombian and Brazil case studies.

First, drug trafficking may be founded upon illicit commodities finding their way to the market; the phenomenon is explained via a supply and demand business model with DTOs as essential facilitators. The market for illicit drugs stimulates the structural emergence of DTOs. For example, in mathematical terms, we can assume that the illicit drug supply curve is elastic (horizontal) in the long term. Furthermore, the market demand for illicit drugs is always somewhat elastic in the long term. Because of these supply and demand factors, drug trafficking will theoretically *always* remain a viable market. All markets trigger mechanisms and require consumers, manufacturers, and distributors. As DTOs advance and evolve, they display institutional characteristics to facilitate these market roles.²⁴ Many approaches view DTOs as the operational *means* to the illicit commodities *end*. However, less literature and research focuses on understanding the institutional nature of DTOs themselves. This thesis accepts the prevailing conditions and structure of the supply and demand model. Market forces provide the impetus for DTOs to organize and become efficient, and thus institutionalize. However, market forces alone cannot explain the development and institutional nature of DTOs in Colombia and Brazil. This thesis aims to explain the development and institutional nature of DTOs outside the auspices of economic motivation and markets in order to provide better understanding within the specific contexts of Colombia and Brazil.

²⁴ Marvin H. McGuire and Steven M. Carroll, "The Economics of the Drug War: Effective Federal Policy or Missed Opportunity?" (Master's Thesis, Monterey, CA: Naval Postgraduate School, June 2002), 31–32.

Second, scholars argue that weakened states pave the way for the proliferation of drug trafficking. This observation stresses a second-hand effect, insofar as the lack of state capacity is not *directly* equated with the institutionalization of DTOs. Instead, the emphasis is placed on prevailing conditions exacerbated by weak state capacity. Primarily, social institutions may be seen as components by which social needs are met.²⁵ Therefore, if the state cannot provide the institutions necessary to meet societal needs, then opportunities exist for informal actors to meet those needs. For example, in Brazilian favelas, the resources of security and life provisions are most notably controlled and parceled out by the drug traffickers.²⁶ While legitimate actors may or may not possess the same resources as DTOs, the actuality or perception of weakened state capacity provides the prevailing condition and opportunities for the proliferation of DTOs. DTOs assess vulnerability, opportunities, constraints, and adjusts according to state capacity. One example is derived from Colombia in the 1990s.

Colombia in the 1990s was a paradigm of a failing state dealing with a myriad of problems that included: “terrorism, kidnapping, murder, drug trafficking, corruption, an economic downturn of major scope, general lawlessness, and brain drain. To top it off, the government was losing territory to an assortment of criminals that made war against the state and society.”²⁷ The absence of institutions that underpin the rule of law threatens the state and its citizens. As time passes, these organizations display institutional characteristics because power consolidation and avoiding state prosecution requires a reasonable amount of efficiency and efficacy. To reiterate, territory, resources and networks may be regarded as zero-sum parameters; either the state or DTOs control these resources. If state-capacity is lacking, then DTOs may control some of these resources. In essence, weakened state capacity provides the prevailing conditions required for DTOs to institutionalize. Therefore, weakened state capacity may be classified as a permissive cause to many of Latin America’s problems. However,

²⁵ Adam Kuper and Jessica Kuper, *The Social Science Encyclopedia*. 2nd Ed. (New York, NY: Routledge, 1996), 417.

²⁶ Donna Goldstein, review of *Drugs and Democracy in Rio de Janeiro*, by Enrique Desmond Arias, *Contemporary Sociology* (2008): 578.

²⁷ Gabriel Marcella, *Democratic Governance and the Rule of Law: Lessons from Colombia*. Strategic Studies Institute Report, Carlisle, PA: Strategic Studies Institute (December 2009), 1–2.

weakened state capacity does not adequately explain the nature or variance in which DTOs institutionalize in the case studies of Colombia and Brazil. Studies have highlighted drug trafficking and DTO cells of operation in stronger states such as the United States, so weakened state capacity cannot account solely for the institutionalization of DTOs. Examples can be derived from the numerous cross-connections between drug cartels in Mexico and sleeper cells that operate in the United States as well as overwhelming security concerns along the U.S.–Mexican border.²⁸

Third, DTOs may emerge, mobilize, and strengthen themselves through the glorification of the “narco-culture.” The primacy of institutional analysis in this regard focuses on the sense of shared values and utilizes an anthropology and sociology view. The narco-culture is most aptly summarized as “the lavish way in which drug-dealers show off their wealth in communities in which they live.”²⁹ Examples may encompass sociological institutionalism due to an extensive use of symbol systems.³⁰ Symbol systems manifest in a variety of ways to include tattoos, praying to “cartel death gods,” and narco-ballads. Narco-ballads or narcocorridos appeal to “young, socially marginal and economically dislocated members of society” and point to common appealing themes of wealth, violence, law enforcement failures and other propaganda.³¹ The societal base for narcos (people involved in drug trafficking) and the proliferation of the narco-culture may be predicated on a common social identity; growing up on the streets of Rio or witnessing Colombia’s long history of political violence may provide specific contexts.

²⁸ Fred Burton and Ben West, Stratfor: Global Intelligence. April 15, 2009, http://www.stratfor.com/weekly/20090415_When_Mexican_drug_trade_hits_border (accessed May 13, 2009); and Fernando Romero and Lar, *Hyper-Border: The Contemporary U.S.—Mexico Border and Its Future* (New York, NY: Princeton Architectural Press, 2008).

²⁹ Martin Meraz Garcia, “Narcoballads: The Psychology and Recruitment Process of the Narco,” *Global Crime* (2006): 200–213.

³⁰ See Peter A. Hall and Rosemary C. R. Taylor, *Political Science and the Three New Institutionalisms*. MPIFG Discussion Paper, Cambridge, MA: MPIFG Scientific Advisory Board (June 1996) for aspects of sociological institutionalism.

³¹ Martin Meraz Garcia, “Narcoballads: The Psychology and Recruitment Process of the Narco,” *Global Crime*, (2006): 206; and Mark Cameron Edgerg, *El Narcotraficante: Narcocorridos and the Construction of a Cultural Persona on the U.S.–Mexico Border* (Austin, TX: University of Texas Press, 2004), x–xi.

Moreover, given the pervasive socioeconomic inequality found in many parts of Latin America,³² literature suggests that the drug trafficking lifestyle provides inducements for recruitment via opportunities for wealth and status. Trafficking wealth potential may be perceived as better than opportunities in the formal and legitimate sectors of society.³³ This mindset is fueled by the perception that no other options exist. This analysis provides considerable insight into the recruitment of members and the overall sustainability of DTOs. This sociological and anthropological approach does not establish a causal link between the narco-culture and the informal institutionalization of DTOs. The narco-culture approach can be aptly categorized within institutional characteristics of mobilization and shared sense of values. Moreover, literature has covered either a broad spectrum of the narco-culture, such as Martin Garcia illustrates in “Narcoballads,” or specific case studies like Mark Cameron Edberg’s *El Narcotraficante* (with an emphasis on Mexico as a case study).³⁴ I have yet to encounter literature that addresses the proliferation of the narco-culture in regions such as Colombia or Brazil. This thesis recognizes the narco-culture as important for mobilization and coagulation within DTOs. However, this cultural or sociological explanation falls short in establishing primal causation for the institutionalization of DTOs in the context of Colombia and Brazil.

Lastly, some literature points to how DTOs proliferate via their growing linkages with groups and networks. DTOs forge relationships with other actors and maintain a complex network to avoid detection and prosecution. While linkages and networks do not cause institutionalization, increased interaction between DTOs and other actors in the social and political arena provide the context for institutionalization to occur. Networks and linkages can be through insurgencies, weapons smugglers, or terrorist

³² See Humberto Lopez and Guillermo Perry, *Inequality in Latin America: Determinants and Consequences*, Policy Research Working Paper 4504, Washington, D.C.: The World Bank (2008), 2–12 for aspect of inequality.

³³ See Alejandro Gaviria, “Social Mobility and Preferences for Redistribution in Latin America.” *Economia* (2007): 66–74 for social mobility parameters.

³⁴ Martin Meraz Garcia, “Narcoballads: The Psychology and Recruitment Process of the Narco,” *Global Crime*, (2006): 200–213; and Mark Cameron Edberg, *El Narcotraficante: Narcocorridos and the Construction of a Cultural Persona on the U.S.-Mexico Border* (Austin, TX: University of Texas Press, 2004).

organizations.³⁵ These relationships can also be illustrated via ties with politicians and governmental or non-governmental organizations.³⁶ Moreover, these ties are strengthened through the processes which DTOs are accepted as legitimate actors. Enrique Desmond Arias summarizes these ties in *Drug and Democracy in Rio de Janeiro: Trafficking, Social Networks & Public Security* (2006) in the following excerpt:

The persistence of trafficker power in this city emerges out of ongoing political relations that criminals maintain with civic actors and state officials through extensive and flexible illegal frameworks that help them to build the support and protection necessary to engage in long-term criminal activities. By tying themselves into existing state and social networks, traffickers avail themselves of both governmental resources and existing social capital.³⁷

While networks and linkages provide insight into the operations of DTOs, this insight does not explicitly address the institutionalization of these organizations. In contrast, how is the network dynamic illustrated in the Colombian case study?

In the Colombian case, a myriad of actors are involved in drug trafficking. Some insurgency groups in Colombia have co-opted drug trafficking as a financing means, hence the sometimes utilized “narco-insurgency” categorization. Insurgencies do not control the whole of drug trafficking. Rather, they often work in conjunction with decentralized cartels to ensure the continued financing and production of drugs. In complimentary fashion, DTOs often rely on private security provided by insurgency groups or paramilitaries to ensure continued drug production. The focus on burgeoning relationships and networks provide key insights to organizational theory and institutionalization as a process. However, relationships and networks do not account for the whole of institutionalization, but merely illustrate a characteristic. The manifestation

³⁵ Pinheiro, Alvaro de Souza Pinheiro, *Narcoterrorism in Latin America: A Brazilian Perspective*, JSOU Report 06-04, Hurlburt Field, Florida: The Joint Special Operations University Press (2006): 1–3.

³⁶ Rensselaer W. Lee III, Francisco E. Thoumi, and Pimentel, “Chapter 3: Drugs and Democracy in Colombia,” In *Menace to Society: Political-Criminal Collaboration Around the World*, by Roy Godson, (New Brunswick; London, U.K.: Transaction Publishers, 2003), 71–97; and Enrique Desmond Arias, “Faith in Our Neighbors: Networks and Social Order in Three Brazilian Favelas,” *Latin American Politics and Society* (Spring 2004): 3–4.

³⁷ Enrique Desmond Arias, *Drugs and Democracy in Rio De Janeiro: Trafficking, Social Networks, & Public Security* (Chapel Hill, NC: The University of North Carolina Press, 2006), 2.

of relationships may attribute to variation across the Colombian and Brazilian case studies because both countries utilize networks and relationships in differing contexts. The next section discusses why Colombia and Brazil are chosen as case studies.

D. CASE SELECTION

Colombia and Brazil emerge as important cases because of the divergent circumstances in which DTOs operate, are institutionalized, and sustain themselves. The nature of illicit drugs in Colombia is much more international, with a focus on catering to South America, North America, and Europe. Since Colombia is a producer of illicit drugs, and experiences an ongoing civil war within its drug producing regions, the emphasis of DTOs is control of territory and personnel to grow and process illicit crops. In Colombia, the production of illicit crops requires DTO alliances with armed groups that can provide extensive security in these regions. Therefore, the nature of drug trafficking in a country with insurgency like Colombia suggests a DTO strategy that circumvents state-led efforts such as Plan Colombia. Compared to Colombia the nature of illicit drugs in Brazil centers on consumption and distribution within favela zones; these zones have traditionally lacked significant state presence. DTOs within Brazil's favelas deal with illicit commodities without having to focus on cultivation or production, and hence do not rely on armed groups to control large territories or personnel to grow or process illicit crops. Moreover, Brazil on the whole is not experiencing insurgency; the state exercises a larger state presence with exception of favela zones. The lack of insurgency would suggest that drug trafficking organizations in Brazil are not required to adapt to all encompassing state-led counter-insurgency efforts, but focus on maintaining the drug trade in an insular urban environment (favelas) where the state lacks significant presence. DTOs within the Brazilian context are much more focused on controlling access and points of sale for illicit drugs. The next section expounds on why Colombia and Brazil were chosen by providing a historical context for the development of the drug trade and DTOs within the two countries.

1. The Colombian Context

This section provides a brief look at the second half of the twentieth century in Colombia.³⁸ This period was characterized by high levels of political violence and underpins violence as part of Colombia's social and political landscape. Moreover, the second half of the twentieth century provides the context in which DTOs emerged in Colombia.

Frank Safford and Marco Palacios in *Colombia: Fragmented Land, Divided Society* illustrate this political violence in four phases.³⁹ The first phase is categorized by political partisanship that began in the electoral campaigns of 1945–1946 and ended in 1953. This period is highlighted by amnesty and pacification programs offered by General Rojas Pinilla. It was this period that rooted violence as a mode of behavior. The second phase is categorized by violence through partisan and factional networks (1954–1964). This period is highlighted by the struggle over coffee and land markets. Furthermore, this period witnesses mafia violence (violence as a form of criminal economic enterprise) and the precursors to guerrilla movements (armed struggles of agrarian and communist origin). The third phase is categorized by guerrilla / revolutionary movements that started in the 1960s till the end of the 1980s (when the Soviet Union collapsed). This period was spurred by the Cuban Revolution and insurgencies identified themselves as Leninist Revolutionary Armed Forces of Colombia (FARC) and, the National Liberation Army Guevarist (ELN), or Maoist in nature. The fourth phase began in the late 1980s and is categorized by insurrectional war, low-intensity conflict, and mafia wars. This period is highlighted by the intertwined nature of drug-trafficker, guerrilla, and paramilitary violence. Furthermore, this violence is spurred by alliances and conflict among drug-traffickers, guerrillas, paramilitaries, politicians, land-owners, the military, and the police. Political violence as it pertains to

³⁸ Susan Eva Eckstein, *What Justice? Whose Justice?* (Los Angeles, CA: University of California Press, 2003), 187.

³⁹ Information from pg. 15–17 is derived from Frank Safford and Marco Palacios, *Colombia: Fragmented Land, Divided Society* (Oxford: Oxford University Press, 2002), 345–352.

Colombia has been summarized; however, it is important to discern general political violence from violence associated with drug trafficking and violence associated with revolutionary struggle.

La Violencia occurred between 1948–1958, revolutionary violence occurred in the mid 1960s, and violence associated drug trafficking emerged in the mid-1970s. While this brief synopsis of Colombian violence in the second half of the twentieth century provides broad context, explicit attention should be paid to the period of “mafia” violence, 1954–1964. This period witnesses violence as proliferated in the context of criminal enterprise; furthermore, this period provides the essential precursor to violence associated with drug trafficking in the 1970s. The next paragraph expounds on the period of “mafia” violence (1954–1964).

The violence and bloodshed associated with the period of 1954–1964 progressed from earlier years of partisan violence and is know as “mafia” violence. Violence during this period was viewed as an instrument (means) for economic gain (ends), and not political power. During this period, struggle over land and property rights characterized conflicts. Moreover, while land had always been a historical point of contention, land during this period was key in cattle and coffe production. The process involved many actors besides wealthy landowners, landowning companies and poor colonists, this period incorporated politicians, judges, and “powerbrokers”. By powerbrokers, I refer to political bosses that controlled armed bands that emerged during this period. These bands divied control of commodites such as stolen coffee and cattle. It is important to note that these armed bands began establishing their own operations and rules and eventually broke from the political bosses that originally sactioned them. This divide is not analyzed, but weaknesses and polarization between political parties, bosses, and these armed bands were subsequent to political developments. Control of cattle and coffee were preliminary and eventually these armed bands moved to control more farmland through extortion and violence. The heads of these armed groups or gangs came to be categorized as “rural mafiosos” that increasingly consolidated their power up until the 1960s.

From the 1960s–1970s, Colombia observed some respite from violence through The National Front. The National Front⁴⁰ (1958–1974) was the initiative that staved off this growing power and provided relative stability until the 1970s. However, subsequent to this period, a growing absence of civil and military authority fostered conditions for armed groups (eventually revolutionary guerrillas) to grow in numbers and control larger amounts of territory.⁴¹ The period of “mafia” style violence from 1954–1964 illustrates the preconditions (violence for economic gains and control of land) for DTOs that appeared in Colombia in the 1970s. Cartels emerged and looked to control and consolidate large contested tracts of land for the production of illicit crops. Furthermore, the “mafia” period (1954–1964) illustrates preconditions for armed bands and gangs in evolving to armed insurgent groups and later paramilitaries.

A look at these periods provides the context for understanding historical violence in Colombia. It gives us the intellectual “scaffolding” by looking at how these periods shaped DTOs, insurgencies, and paramilitares in their respective timeframes. The next section looks at the history of Brazil’s favelas. As stated earlier, DTOs in Brazil operate within favelas and flourish in the environment that lacks significant state presence. Analyzing Brazil as a case study requires historical background on the development of favela zones.

2. A Brief History of Brazil’s Favelas⁴²

This section highlights relevant observations and periods to provide historical context and contributing factors for the proliferation of the drug trade in Brazilian favelas.⁴³ Preliminary understanding of DTOs within Brazil’s favelas requires a basic

⁴⁰ The National Front (1958-1974) was a non-aggression pact between the two main political parties and sought to strengthen political institutions and provide political stability.

⁴¹ Charles T. Call, From “partisan cleansing” to power-sharing?: Lessons for security from Colombia's national front, Stanford University, Stanford: Center for International Security and Arms Control (1995): 1.

⁴² Information regarding periods of favela history are derived from Enrique Desmond Arias, *Drugs and Democracy in Rio De Janeiro: Trafficking, Social Networks, & Public Security* (Chapel Hill, NC: The University of North Carolina Press, 2006), 23–26.

⁴³ For a more concise history of Brazil refer to Colin M. MacLachlan, *A History of Modern Brazil: The Past against the Future* (Wilmington, DE: Scholarly Resources Inc., 2003); and Thomas E. Skidmore, *Brazil: Five Centuries of Change* Second Edition (New York, NY: Oxford University Press, 2010).

background of the political and social development of favelas. The story begins as Brazil entered the twentieth century and looked to modernize. With the 1902 election of President Rodrigues Alves, Brazil undertook modernizing via extensive building projects and a public health campaign. However, in an attempt attract foreign investment and appease prominent political forces, public health resources and building projects were diverted toward coastal cities and the traditional downtown area. The favela shanty towns and interior poorer sections were left out of the modernizing projects.⁴⁴ Subsequently, the country dealt with regional dualism⁴⁵ and inequality exacerbated by the onset of industrialization and modernization. It should also be noted that in the urban centers of Sao Paulo and Rio de Janeiro, (as formal and legitimate sectors were saturated) most people worked in informal and service sectors. “The informal sector included street peddlers, washerwomen, messenger-boys, prostitutes, petty thieves, and vagrant handymen...they were the target of regular police repression and received little mercy from the court system.”⁴⁶ Informal markets have always existed as a source of income for the poor, as well as informal trade as a way to escape unemployment. The way these informal sectors evolved in many parts of Brazil, nevertheless, developed some networks that became closed tied to organized crime, as well as informal rules.⁴⁷ Throughout the twentieth century Brazil ran into economic problems and strains with the primary export earners of coffee and natural rubber. These problems and subsequent economic policies made it increasingly difficult to close the gap of equity among its citizens. This brief snap shot of Brazil prior to the Estado Novo (1930–1945) illustrates some of the conditions that plagued Brazil as a whole and gives context to founding conditions within

⁴⁴ Thomas E. Skidmore, *Brazil: Five Centuries of Change* Second Edition (New York, NY: Oxford University Press, 2010), 82.

⁴⁵ Regional dualism refers to inequities in infrastructure and resources among varying regions within a country.

⁴⁶ Thomas E. Skidmore, *Brazil: Five Centuries of Change* Second Edition (New York, NY: Oxford University Press, 2010), 90.

⁴⁷ Luiz de Andrade Filho, “The dynamics of drug-related organized crime and corruption in Brazil from a development perspective,” *Journal of Financial Crime* (2008): 55.

the favelas. Subsequent paragraphs illustrates political development within the favelas from 1930–1988; these time periods encapsulate political change that leads up to the massive influx of illicit drugs in the 1980s.

The Estado Novo (1930–1945) may be described as a period of state corporatism⁴⁸ in which the government tried to extend limited citizenship. For the most part, the government failed to incorporate the poor populations living in the favelas.

The government saw favelas as aberrations within the modern city, refused to list them on city maps, and slated them for removal. Rio's government proposed eliminating the favela problem by strictly regulating the expansion of existing favelas and removing citizens to *parques proletarios*, a closed, state-administered form of popular housing with strict curfews. The Vargas administration built ties to *parque* residents by providing limited assistance and hosting social events. Eventually, authorities expelled residents from some *parques* where land values had increased to make way for higher-income housing.⁴⁹

During the second republic (1945–1964), favelas grew via migration linked to the onset of industrialization. During this period, the state tried to extend services to residents or try to remove the favelas. However, the state rarely interacted directly with the communities in the favelas, and with the absence of a state presence internal to the favelas, informal groups began emerging to garner resources, provide security, and resolve disputes. As autonomy within the favelas grew, the Catholic Church encouraged residency associations (AMs) to help manage these communities. This period also coincided with Brazil's first experience with competitive electoral democracy. From the 1950s on, politicians began supplanting church groups by working with AMs to garner political support. In the 1960s, Carlos Lacerda's military dictatorship began waging a war on the favelas (war, meaning removal) utilizing federal troops to remove the residents.

⁴⁸ State corporatism refers to the theory and practice of organizing the whole of society into corporate entities subordinate to the state.

⁴⁹ Enrique Desmond Arias, *Drugs and Democracy in Rio De Janeiro: Trafficking, Social Networks, & Public Security* (Chapel Hill, NC: The University of North Carolina Press, 2006), 23.

During the military dictatorship (1964–1978), the state sought to oppress, remove and relocate favela residents. Concurrently, the state continued to utilize residency associations (now better organized and larger) as intermediaries and distributors of aid. Many of these residency associations opposed government tactics through passive resistance. Moreover, relocation efforts by the government of favela residents were nullified by continued migration patterns into the favelas. This period was characterized by a burgeoning system of internal governance within the favelas (with informal leadership, including drug runners and a range of community leaders), a continued lack of resources, state oppression, and rise in violence and crime.

The period of democratization (1978–1988) brought about a less oppressive and confrontational arena for favela dynamics. The return of electoral competition also encouraged a return to clientelistic politics. This period is characterized by political consolidation on the part of the state as well within the favelas. Residency agencies reorganized to make demands on the government, while the government tried to outmaneuver the associations by delivering services directly to residents. As the government centralized its distribution of resources to residents, the power of residency organizations diminished. Moreover, favela communities themselves became divided while vying and competing for government aid.⁵⁰ These periods highlight the founding dynamics for favelas as communities within the Brazilian political and social landscape. Moreover, these periods lay the groundwork for the context which DTOs operate within Brazil's favelas.

E. THESIS ORGANIZATION

The thesis proceeds in three main chapters. Chapter II, (Colombian DTOs: Origins and Institutional Analysis) analyzes DTOs in Colombia and looks at two facets in particular. First, when and how did DTOs emerge in Colombia? As is well known, DTOs emerged as prominent drug cartels in the 1970s. However, answering how DTOs emerged in Colombia requires analysis prior to the 1970s because important roots and

⁵⁰ Enrique Desmond Arias, *Drugs and Democracy in Rio De Janeiro: Trafficking, Social Networks, & Public Security* (Chapel Hill, NC: The University of North Carolina Press, 2006), 27–30.

precursors were established prior to this era. Moreover, drug cultivation, production and distribution in Colombia existed prior to the emergence of major drug cartels. Drug cultivation, production and distribution in Colombia existed prior to the emergence of major drug cartels. Second, this chapter illustrates how Colombian DTOs meet the criteria for being informal institutions. The characteristics of structural composition, stability, behavioral control, and social cohesion are utilized in assessing Colombian DTOs as informal institutions.

Chapter III (Brazilian DTOs: Origins and Institutional Analysis) analyzes DTOs within Brazil's favelas and looks at two facets in particular. First, when and how did DTOs become rooted in Brazilian favelas? Preliminary research points out that the burgeoning drug trade (and networks) of the 1980s linked up with pre-existing criminal networks and loosely organized gangs in Brazil. Second, this chapter illustrates how Brazilian DTOs meet the criteria for being institutions based on four characteristics. The characteristics of structural composition, stability, behavioral control, and social cohesion are utilized in assessing Brazilian DTOs as informal institutions. Within the chapter, comparisons are drawn, and similarities and differences are illustrated between Colombian and Brazilian DTOs in how they emerged and are characterized as informal institutions.

Chapter IV (DTOs: What Sustains Them?); this chapter illustrates what sustains Colombian and Brazilian DTOs as informal institutions. Sustainability in the Colombian case study is attributed to competitive adaptation. Sustainability in the Brazilian case study is attributed to networks; specifically, DTOs entrench and empower themselves as legitimate actors through informal social networks. The essential takeaway is to understand what holistically sustains DTOs in their respective and distinct contexts. Colombia is shaped by internal conflict and its role as a producer country. Therefore, the drug dynamic in Colombia places emphasis on control of land for drug production. Brazil on the other hand does not experience internal conflict and is not a producer country. Therefore, the drug dynamic in Brazil places emphasis on controlling internal dynamics of favela zones. Within the chapter, comparisons are drawn, and similarities and differences are illustrated between Colombian and Brazilian DTOs in what sustains

them as informal institutions. These similarities and differences are key facets in understanding the divergent paths DTOs by which DTOs emerge, operate as institutions, and are sustained.

Chapter V concludes the thesis by emphasizing the comparisons drawn between DTOs in Colombia and Brazil. Also, based on conclusions gained from analysis, recommendations are given to mitigate the proliferation of drug trafficking organizations in Colombia and Brazil.

THIS PAGE INTENTIONALLY LEFT BLANK

II. COLOMBIAN DTOS: ORIGINS AND INSTITUTIONAL ANALYSIS

This chapter analyzes DTOs in Colombia and looks at two facets in particular. First, when and how did DTOs emerge in Colombia? DTOs emerged as prominent drug cartels in the 1970s. As already noted, however, answering how DTOs emerged in Colombia requires analysis prior to the 1970s because important roots and precursors were established prior to this era. Second, this chapter illustrates how Colombian DTOs meet the criteria for being informal institutions. The characteristics of structural composition, stability, behavioral control, and social cohesion are utilized in assessing Colombian DTOs as informal institutions. The first section looks at when and how DTOs emerged in Colombia.

A. THE EMERGENCE OF COLOMBIAN DTOS

DTOs emerged as prominent cartels in the 1970s and came to be codified by the “super-cartels” of Medellin and Cali. These organizations were headed by Pablo Escobar (Medellin) and the Rodriguez brothers (Cali); at the height of operations, (mid-1970s to 1980s) these organizations were thought to have controlled a majority of the illicit cocaine trade, amounting to more than one hundred tons per year. However, it is important to note that these organizations transformed and “upped the stakes” on a business that previously existed. It is through organizational evolution, reckless ambition, and unbridled violence that the often irregular shipments of a few kilos turned into hundreds of thousands of kilos in illicit drug trafficking.

What conditions laid the groundwork for the emergence of DTOs as prominent cartels in the 1970s? Paul Gootenberg points out in his article, “The Pre-Colombian Era of Drug Trafficking in the Americas” (2007) that a new class of international cocaine traffickers manifested between 1947 and 1964.⁵¹ Peruvians, Bolivians, Chileans, Cubans, Mexicans, Brazilians, and Argentines effectively pioneered the drug trade

⁵¹ Information for pages 24–25 is derived from Paul Gootenberg, “The Pre-Colombian Era of Drug Trafficking in the Americas,” *The Americas* (2007): 133–176; and *Andean Cocaine: The Making of a Global Drug* (Chapel Hill: University of North Carolina Press, 2008).

through the 1940s. Through the 1950s, couriers began smuggling cocaine from Peru, and by the 1960s the drug trade had effectively exploded. The 1960s witnessed the cross-connection of coca farmers, labs, distributors, and a burgeoning retail market. Gootenberg expounds on the origins of the trade by analyzing the growing network of traffickers, chemists and coca-growing peasants.⁵² He asserts that this group of people constituted new clandestine markets which created local conditions for the drug trade to grow. Often the precursor to the 1970s boom in illicit trafficking is overlooked by casual observers; it is important to recognize that founding conditions for DTOs were laid prior to the “war on drugs.”⁵³ DTOs in Colombia were not sporadic entities that sprang up overnight; DTOs were more akin to organic, evolving entities that happen to finally catch the prominent attention of the public following the 1970s. Moreover, beyond the cross-connection of coca farmers, labs, distributors, and the burgeoning retail market, it is important to note the shift of coca production within the Andes and how it relates to Colombia.

Colombia’s geographic proximity and likeness to other South American drug producing countries made production feasible. It is also important to note that state-led efforts to crack down on illicit crops in countries like Peru and Bolivia in the 1990s shifted cocaine trafficking northward to countries like Colombia and Mexico. This shift within the Andes in production facilitated the conditions for Colombia to become a production, trafficking, and distribution country of illegal cocaine. Furthermore, the transition of the illicit market to Colombian DTOs was exacerbated by the emergence of right-wing military regimes that stifled other smuggling routes; notably, the Chilean coup of 1973 resulted in the closing of the most traveled route of illicit cocaine northward. By the 1970s, DTOs came to codify the cocaine trade and prominent DTOs, such as the Medellin and Cali cartel, essentially leveraged a pre-existing network to profit on exploding North American demand during the 1970s. As market demand for illicit cocaine rose in the 1970s, rapid power consolidation and organizational adaptation was

⁵² It is important to note that not all coca cultivation was for illegal purposes and raw coca had traditional uses. Bolivia’s merger of peasant coca and refined cocaine was the precursor to cocaine’s emergence as an illicit commodity (Gootenberg 2007, 136).

⁵³ The war on drugs is described as a set of laws and policies intended to stop the production, distribution and consumption of illicit drugs. The term was first used by President Nixon in 1969.

observed by these organizations. The pre-cursors to the drug trade in Colombia have been briefly discussed, while having noted the shift of cocaine cultivation and distribution within the Andes from Peru and Bolivia to Colombia. The next paragraph elaborates on the emergence of Colombian DTOs from the 1970s to 1990s.

DTOs in the 1970s through the 1990s were characterized through centralized cartels, and these organizations are characterized by their transnational scope of influence, increasingly larger operations, and increasing vertical integration. While drug trafficking had previously existed, DTO leadership (Pablo Escobar of Medellin Cartel, and Rodriguez brothers of Cali Cartel) facilitated organizational evolution. DTOs increased their vertical integration by linking coca growers to laboratories to distribution networks in the Caribbean and the United States. Growing U.S. demand, coupled with the profit margin afforded by cocaine fostered illicit growth and DTO innovation during this period. This growth was guided under the leadership of prominent cartel figures that exploited experiences and connections that were previously developed.⁵⁴ From the 1970s to the 1990s, Colombian DTOs accumulated land and resources. It was also during this period that centralized DTOs in the form of cartels had to compete with each other while dealing with a burgeoning insurgency and subsequent paramilitary organizations. This period witnessed the formation of relationships between centralized DTOs, insurgencies, and paramilitaries. The 1990s witnessed the decline of prominent cartels. Before insurgencies and paramilitaries are analyzed, it is important to highlight the decline of prominent cartels. Subsequent to the decline of major cartels, DTOs became decentralized and thus interacted with insurgencies and paramilitaries in a different context.

While Colombian cartels fought each other and guerrillas, turf wars were concurrently fought in the United States in cities like Miami and New York during the 1970s and 1980s. The increasing violence drew the attention of policy makers within the United States who in turn mounted increasing pressure on Colombia. Various cartels were subsequently prosecuted and brought down by the state with the help of

⁵⁴ Rosso Jose Serrano Cadena, "Capturing the Cali Cartel: Selections from *Jaque Mate*," *Crime, Law, and Social Change* (July 2003): 47.

intelligence, inter-cartel rivalries, and inter-state cooperation. These factors thus culminated in the fall of Pablo Escobar and the Medellin cartel in 1993 and the fall of the Cali Cartel in 1999.⁵⁵ Since the fall of these cartels, it is important to note that drug trafficking in Colombia did not stop, having in fact continued through decentralized operations. The vacuum left by prosecution left cartels to reorganize; and while operations continued in a decentralized manner, practices, norms and institutional characteristics were carried forth and shaped DTOs well into the 1990s and beyond. Moreover, DTOs formed relations and power dynamics with guerrilla movements and paramilitary organizations.

It was during the 1970s–1990s that cartels came into contact and conflict with guerrilla revolutionaries. The Revolutionary Armed Forces of Colombia (FARC) and the National Liberation Army (ELN)⁵⁶ was affected by the entrance of narco-traffickers into rural and frontier regions settled under guerrillas influence. In turn, alliances and conflict (centered on control of territory) ensued between the guerrillas and DTOs. Moreover, in the 1990s, the FARC became entrenched in the cultivation of illicit drugs due to converging factors such as the shift of coca production from Peru, the absence of traditional agricultural production, and rising rural unemployment. Subsequently, the narcotics industry moved into zones controlled by the FARC. In looking at guerrilla organizations, such as the FARC, ELN,⁵⁷ and various other groups formed in the 1960s–1980s, the basis of mobilization for these groups center around clientelistic control of local government, people, and territory. Moreover, “It is said that the movement of coca cultivators in 1996 (into FARC controlled zones) would not have reached the size, intensity, and influence withough the dedicated support of the FARC.”⁵⁸

⁵⁵ Keith Maguire, “The Rise and Fall of Pablo Escobar and the Medellin Cartel,” *The Criminologist* (1998): 104–107; and Serrano Cadena and Rosso Jose, “Capturing the Cali Cartel: Selections from Jaque Mate,” *Crime, Law, and Social Change* (July 2003): 58–59.

⁵⁶ The FARC (1961 onward) is a revolutionary group that had its origins in peasant agitation under the direction of the Communist party (Safford and Palacios 2002, 355).

⁵⁷ The ELN (1962–1985) is a revolutionary group that founded its roots in the Cuban Revolution and specifically denounced the paramilitary nature of the Communist party (Safford and Palacios 2002, 357).

⁵⁸ Frank Safford and Marco Palacios, *Colombia: Fragmented Land, Divided Society* (Oxford: Oxford University Press, 2002), 356–357, 362.

Paramilitaries, too, fit centrally into the drug trade in Colombia. Paramilitaries originated as private protection units that serviced rural groups with vested interest in protecting their lands.⁵⁹ In the 1980s, these groups received patronage from both the government as well as DTOs. Guiteirrez and Ramirez in *Politics in the Andes* (2004) explain this patronage on the part of the government as a hard-line military strategy against insurgency.⁶⁰ Drug traffickers and paramilitaries were willing allies in taking the fight to insurgencies outside the legal system. Paramilitary groups also received patronage from drug traffickers (cartels) because DTOs sought to protect themselves from guerrilla movements, other cartels, and state prosecution. In many cases, drug traffickers bought land in rural regions and either took control of paramilitary groups or co-opted them. Besides fighting insurgency groups, DTOs shaped their mission to include fighting rival cartels and the counter-narcotics arm of the state. DTOs organized, equipped, and trained paramilitary units in the art of counter-insurgency at schools like the one located at Puerto Boyaca. Concurrently in the 1980s, under the auspices of supporting military forces against insurgents, the paramilitaries “brutalized and intimidated the local population into abandoning many rural regions.”⁶¹ Paramilitaries subsequently controlled greater amounts of land and expanded their power due to links with the drug trade and patronage from both DTOs and the government. Major cartels were dismantled in the 1990s, and paramilitaries subsequently faced diminished resources and patronage. However, many paramilitaries reorganized under the United Self-Defense Forces of Colombia (AUC) in 1997 and had already become heavily involved in illicit commercial activities that included the drug trade.⁶²

⁵⁹ Information from this paragraph not specifically noted is derived from Keith Maguire, “The Rise and Fall of Pablo Escobar and the Medellin Cartel,” *The Criminologist* (1998): 100–101; and Frank Safford and Marco Palacios, *Colombia: Fragmented Land, Divided Society* (Oxford: Oxford University Press, 2002), 364–366.

⁶⁰ Francisco Gutierrez and Luisa Ramirez, “The Tense Relationship between Democracy and Violence in Colombia, 1974–2001,” In *Politics in the Andes: Identity, Conflict, Reform*, by Jo-Marie Burt and Philip Mauceri (Pittsburgh: University of Pittsburgh, 2004), 235–236.

⁶¹ Vanda Felbab-Brown, “Colombia: The Narco Wars,” In *Shooting Up: Counterinsurgency and the War on Drugs*, by Vanda Felbab-Brown (Washington, D.C.: The Brookings Institution, 2010), 94–95.

⁶² Vanda Felbab-Brown, “Colombia: The Narco Wars,” In *Shooting Up: Counterinsurgency and the War on Drugs*, by Vanda Felbab-Brown (Washington, D.C.: The Brookings Institution, 2010), 95.

The preceding paragraphs looked at founding conditions for the drug trade (prior to 1970s), the proliferation of DTOs from the 1970s to 1990s, as well as DTO links between insurgency groups and paramilitaries. The essential takeaway is that DTOs have operated in Colombia since the 1970s and have adapted to new actors such as insurgency groups and paramilitaries. Drug trafficking in Colombia manifested via DTOs, narco-insurgency conflicts or alliances, and narco-paramilitary alliances. This chapter takes into account these specific relationships to illustrate the changing face of DTOs in Colombia. While state-led efforts weakened centralized DTOs in the 1990s, subsequent decentralized DTOs incorporated insurgencies and paramilitaries. Moreover, insurgencies and paramilitaries since the 1990s are constituted as DTOs due to their involvement in the illicit drug trade. Because of this shift, policy and initiatives have been shaped to account for insurgency, counter-narcotics, as well as paramilitary demobilization. The next section illustrates how drug trafficking organizations operate as institutions within Colombia based on four characteristics. These characteristics are structural composition, stability, behavioral control, and social cohesion.

B. COLOMBIAN DTOS AS INFORMAL INSTITUTIONS

This section outlines how Colombian DTOs qualify as informal institutions. Understanding how DTOs qualify as informal institutions enhances the understanding of these organizations on three levels: first how they emerge, second, how DTOs are characterized, and finally how DTOs sustain themselves as viable institutional entities. Moreover, DTOs undergo the process of institutionalization through entrenchment and development of the institutional characteristics these organizations display. These characteristics comprise of structural composition, stability, behavioral control, and social cohesion and are expounded upon in subsequent sections.

1. Structurally Connected to Society⁶³

First, DTOs are a structural feature of Colombian society. Colombia has often been described as a society divided between the small elite who owned a majority of

⁶³ A majority of information on pages 30–31 is derived from Keith Maguire, “The Rise and Fall of Pablo Escobar and the Medellín Cartel.” *The Criminologist* (1998): 95–107.

property and wealth and the majority who did not own much.⁶⁴ During the height of drug cartels in Colombia (1970s–1990s), DTOs rapidly became new and powerful structural features of society. These organizations controlled land, people, and affected the political process within Colombia. Moreover, DTOs forged relations with the public based on fear and reciprocity. One example is derived from the Medellin cartel; Pablo Escobar (the leader of the cartel) used his wealth to further his criminal enterprise while also pushing a pro-poor populist agenda. He spent money on infrastructure projects such as water supply, electricity, sanitation, and built a substantial number of housing units for the poor and homeless in Colombia. To further curry favor, he spent money on sport facilities (namely the popular sport of soccer) while even investing in a zoo. These activities bought a large amount of local support and good will, which in turn persuaded the public to accept some of his organization’s illicit activities. In fact, a number of public opinion surveys conducted during the Medellin era (1970s–1990s) showed that the general public viewed drug trafficking in Colombia as secondary to other problems they faced.⁶⁵ Subsequent to the fall of prominent cartels, insurgency groups, such as the FARC and paramilitary groups, gained political capital among the poor by employing similar practices.⁶⁶ Structural composition as an institutional parameter of DTOs also takes into account interactions and connections within society. The next paragraph highlights these interaction and connections.

DTOs have proliferated in spite of the fall of major cartels in the 1990s; as illustrated earlier, insurgencies and paramilitaries have been incorporated into drug trafficking and display cooperation and competition with decentralized DTOs. The linkages between DTOs and these groups indicates that from a societal perspective, drug trafficking is a persevering phenomenon. Drug trafficking was not exclusive to nefarious entities such as DTOs, as it proliferated it incorporated a myriad of social actors. In this

⁶⁴ Frank Safford and Marco Palacios. *Colombia: Fragmented Land, Divided Society* (Oxford: Oxford University Press, 2002).

⁶⁵ Keith Maguire, “The Rise and Fall of Pablo Escobar and the Medellin Cartel.” *The Criminologist* (1998): 95.

⁶⁶ Vanda Felbab-Brown, “Colombia: The Narco Wars,” In *Shooting Up: Counterinsurgency and the War on Drugs*, by Vanda Felbab-Brown (Washington, D.C.: The Brookings Institution, 2010), 73, 83, 97–98.

context, the drug trafficking market ties rural peasants, DTOs, insurgencies, and paramilitaries together in the Colombian social landscape. The presence of DTOs in Colombia since the 1970s and their sustained interactions among varying groups within society (i.e., citizens, insurgencies, and paramilitaries) illustrate one institutional parameter, that DTOs are a structural feature of society.

2. Stability

Stability is also an institutional characteristic that DTOs have displayed over time. In the Colombian case, DTOs and precursors to DTOs, have operated since the 1950s and have remained a fixture on the country's historical landscape. Furthermore, DTOS have operated in varying contexts to achieve the same end, illicit drug production and distribution for the international market. To correctly quantify the stability aspect of Colombian DTOs, one has to observe drug operations over time in varying contexts. Subsequent paragraphs highlight stability in the case of Colombian DTOs.

From a stability standpoint, DTOs have delivered illicit drugs to market since the 1970s and have done so in varying contexts. First of all, DTOs leveraged pre-existing networks to facilitate the drug trade from rudimentary beginnings from the 1950s onward. The demise of prominent cartels in the 1990s left the drug trade open to decentralized cartels, as well as other groups, such as insurgencies and paramilitaries. Peceny and Durnan in "The FARC's Best Friend" (2006) have argued that the strengthening of the FARC during the 1990s was an unintended consequence of successes in U.S. antidrug policies. The dismantling of the Medellin and Cali drug cartels was the first step. Furthermore, measures such as aggressive coca interdiction and eradication, as well as U.S. pressure on the Colombian state to crack down on cartels created essentially pushed coca cultivation to FARC dominated rural areas. As a consequence, the FARC and ELN have strengthened themselves through the drug trade.⁶⁷

⁶⁷ Mark Peceny and Michael Durnan, "The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s," *Latin American Politics and Society* 48:2 (2006): 95.

Moreover, Colombian DTOs adapted to counter-narcotic approaches by the state through linkages with insurgencies and paramilitaries, the following paragraphs outline the role of insurgencies in the drug trade.

Buckwalter and Struckman in “Colombia: Mission Impossible” (2007) highlight how DTOs have adjusted in the context of civil war.⁶⁸ The authors argue that the FARC and ELN not only tax cocaine producers, but are directly involved in production and trafficking, with two-thirds of FARC fronts and one-third of ELN fronts deriving income from the drug trade. The authors also argue that U.S.–Colombian efforts in dismantling the Cali and Medellin organizations enhanced guerrilla-trafficker and paramilitary-trafficker relationships. Moreover, these relationships have made targeting and identification more difficult. These examples illustrate DTOs operating in one context, that of decentralized cartels and successful relationships with insurgencies and paramilitaries. However, from a stability standpoint, it is also important to address DTO operations in the context of weakened insurgencies and paramilitaries because literature and analysis has emerged in this respect, the next paragraph highlights the changing condition of weakened insurgencies.

U.S.–Colombian efforts in the form of Plan Colombia has shown considerable success in the areas of reducing violence, weakening the FARC insurgency, advancing the peace process, enhancing government, growing the economy, and providing more social services.⁶⁹ Moreover, state-led counter-insurgency (COIN) operations and worsening conditions for insurgency groups have significantly weakened them. A 2008 article in a Colombian journal argued that the FARC’s financial position had deteriorated dramatically in this period with its income falling to nearly forty percent compared to earlier in the decade.⁷⁰ Furthermore, the bulk of profits from the illicit drug trade remain largely with transit countries like Mexico, while revenue from other activities such as

⁶⁸ Information from this paragraph is derived from David Buckwalter and Dana Struckman, “Colombia: Mission Impossible?” In *Case Studies in Policy Making 10th Edition*, by Kevin Hansen (Newport, RI: United States Naval War College, 2007), 81.

⁶⁹ Peter DeShazo, Tanya Primiani, and Phillip McLean, *Back from the Brink: Evaluating Progress in Colombia, 1999-2007*, Center for Strategic and International Studies, Washington, D.C.: CSIS (November 2007), viii–ix.

⁷⁰ “Colombia politics: Free at last,” EIU ViewsWire (July 2008).

kidnapping and extortion has declined.⁷¹ Moreover, the FARC's loss of territorial (as measured by the number of attacks against the Colombian military) was down by forty percent by this time.⁷² Another example of the FARC's decline is illustrated in the July 2008 rescue of fifteen hostages. In this instance, the Colombian military successfully and bloodlessly tricked the FARC into releasing their hostages. This operation was touted as a Colombian—U.S. success that showcased inter-state cooperation and growing Colombian military professionalism.⁷³

Despite these examples of the strengthening and weakening of insurgencies, it is important to keep in mind the end state. Drug production remains relatively high and goals set forth in the arena of counter-drug policy have not been met. Plan Colombia's goal of reducing the cultivation, processing, and distribution of illegal narcotics by fifty percent in six years was not met. From 2000 to 2006, coca production increased by fifteen percent.⁷⁴ This assessment illustrates that despite the linking of guerrilla movements and drug organizations, the weakening of revolutionary groups does not indicate a weakening of DTOs in Colombia. As alluded to earlier, the end state for institutional stability regarding DTOs is illicit drugs making it to the market in varying contexts. On the one hand, insurgencies such as the FARC and ELN are conduits and partners in the drug trade; moreover, these organizations utilize the drug trade to strengthen themselves. On the other hand, we observe a weakening of these insurgencies which can be attributed to a variety of factors. In the end, reports indicate that drug production and distribution is still a major issue.⁷⁵ Despite the above

⁷¹ "Colombia politics: Free at last," EIU ViewsWire (July 2008).

⁷² Ibid.

⁷³ June S Beittel, Colombia: Issues for Congress. CRS Report for Congress: RL 32250, Washington, D.C.: Congressional Research Service (2009): 9.

⁷⁴ Richard G. Lugar, Plan Colombia: Elements for Success. Staff Trip Report, Washington, D.C.: Committee on Foreign Relations, United States Senate, (December 2005): 5; Peter DeShazo, Tanya Primiani, and Phillip McLean, Back from the Brink: Evaluating Progress in Colombia, 1999-2007, Center for Strategic and International Studies, Washington, D.C.: CSIS (November 2007), x; and GAO, Plan Colombia: Drug reduction goals were not fully met, but security has improved; U.S. agencies need more detailed plans for reducing assistance, GAO Report 09-71, Washington, D.C.: Government Accountability Office (October 2008): 4.

⁷⁵ June S Beittel, Colombia: Issues for Congress. CRS Report for Congress: RL 32250, Washington, D.C.: Congressional Research Service (2009): 20.

observations in relation to insurgencies such as the FARC, it is clear that the DTOs in general still traffic illicit commodities. The next paragraph looks at the developments of paramilitaries, as these organizations have been tied to drug trafficking organizations as well.

Some studies allude to the demobilization of paramilitary groups such as the United Self-Defense forces of Colombia (AUC).⁷⁶ Between 2003 and 2006, Colombia implemented a massive demobilization process and the government claimed the successful demobilization of 30,000 personnel. However, since then, new groups may have emerged, and have taken over criminal operations previously run by the AUC. Successor groups have emerged as criminal gangs who service drug trafficking by providing security and violence. Successor groups are differentiated from their predecessors in that for one, they have not formed a binding ideology, or identifiable coalition. Second, leadership within these groups are less visible and are not readily identified. Third, these groups focus less on counter-insurgency and more on criminal activities such as drug trafficking, extortion, and money laundering. Government sources often cite links between these successor groups and insurgency groups to facilitate drug trafficking, and there is growing evidence that successor groups have positioned themselves to compete with insurgency groups over drug territory.⁷⁷ The convergence of the observations compiled in the preceding paragraphs illustrate that DTOs and drug trafficking has remained stable. Colombian DTOs have provided illicit drugs to the international market despite fluctuations and varying contexts such as the dismantling of centralized drug cartels, and the strengthening / weakening of insurgencies and paramilitaries. The next section discusses behavior control as applied to Colombian DTOs.

⁷⁶ United Self-Defense forces of Colombia (AUC) is a coalition of 37 paramilitary groups in Colombia that officially demobilized by 2006.

⁷⁷ June S Beittel, Colombia: Issues for Congress. CRS Report for Congress: RL 32250, Washington, D.C.: Congressional Research Service (2009): 11; and Human Rights Watch, Paramilitaries' Heirs: The New Face of Violence in Colombia, Human Rights Watch Report, New York, NY: Human Rights Watch, (2010): 3, 28–30.

3. Internally Disciplined

Another institutional characteristic is behavioral control; behavioral control is described as placing expectations and rules on members within an institution. DTOs impose limits on their members and affect individual behavior through retribution and accountability. In the Colombian case, cartel leadership reinforced rules via violent killings or through bribes. “As the amounts of money and contraband grew, so did the need to enforce discipline, punish enemies, collect debts and bribe officials. Kidnapping or even killing someone who had cheated him (Pablo Escobar) not only kept the books balanced, it sent a message.”⁷⁸ In more decentralized drug operations, Colombian DTOs have systems of vertical and horizontal accountability. “If something goes wrong with a transaction, relations of informal accountability ensure that participating nodes (cells of operation) will answer to the core, protecting leaders and investors from theft and other uncertainties.”⁷⁹ Because DTOs operate in illicit and hostile environments, they do not publish rules, norms, or practices. These organizations operate under informal understandings, with an implied understanding of how things operate. A former drug pilot put it like this, “we never said be careful, or if you go this far you are going to be dead...you didn’t have to say it, it was implicit.”⁸⁰ Moreover, many DTO recruits are asked to provide personal information such as family contact information so as to prevent them from going to authorities for fear of reprisal.⁸¹ These examples highlight behavioral control as an institutional parameter applied to Colombian DTOs. The next section discusses social cohesion as an institutional parameter.

⁷⁸ Mark Bowden, *Killing Pablo: The Hunt for the World's Greatest Outlaw* (New York, NY: Penguin Books, 2001), 20.

⁷⁹ Michael Kenney, *From Pablo to Osama: Trafficking and Terrorist Networks, Government Bureaucracies, and Competitive Adaptation* (University Park, Pennsylvania: Pennsylvania University Press, 2007), 29.

⁸⁰ *Ibid.*, 36.

⁸¹ *Ibid.*, 37–38.

4. Internally Cohesive

Lastly, a shared sense of values among members identifies an institution. These shared sense of values may also strengthen the institution. Drug trafficking organizations share ideals, beliefs, and values which may culminate in a common social identity. The recruitment of individuals into DTOs may be predicated on the need for power, belonging, respect, security and pride. This assessment requires social context, and to illustrate the social context in which members of Colombian DTOs as well as citizens lived, it is pertinent to highlight certain historical periods in Colombia.

As was noted earlier, during the second half of the twentieth century (1945 and beyond), Colombia was, above all else, characterized by rampant and ongoing political violence.⁸² Frank Safford and Marco Palacios in *Colombia: Fragmented Land, Divided Society* (2002) illustrate this political violence in four phases.⁸³ The first phase is categorized by political partisanship that began in the electoral campaigns of 1945–1946 and ended in 1953. This period is highlighted by amnesty and pacification programs offered by General Rojas Pinilla. It was this period that rooted violence as a mode of behavior.

The second phase is categorized by violence through partisan and factional networks (1954–1964). This period is highlighted by the struggle over coffee and land markets. Furthermore, this period witnesses mafia violence (violence as a form of criminal economic enterprise) and the precursors to guerrilla movements (armed struggles of agrarian and communist origin).

The third phase is categorized by guerrilla / revolutionary movements that started in the 1960s til the end of the 1980s (when the Soviet Union collapsed). This period was spurred by the Cuban Revolution and insurgencies identified themselves as Leninist (FARC), Guevarist (ELN), or Maoist in nature.

⁸² Susan Eva Eckstein, *What Justice? Whose Justice?* (Los Angeles, CA: University of California Press, 2003), 187.

⁸³ Information regarding phases of violence in Colombian history is derived from Frank Safford and Marco Palacios, *Colombia: Fragmented Land, Divided Society* (Oxford: Oxford University Press, 2002), 345–370.

The fourth phase began in the late 1980s and is categorized by insurrectional war, low-intensity conflict, and mafia wars. This period is highlighted by the intertwined nature of drug-trafficker, guerrilla, and paramilitary violence. Furthermore, this violence is spurred by alliances and conflict among drug-traffickers, guerrillas, paramilitaries, politicians, land-owners, the military, and the police. Partisan violence occurred between 1948–1958, revolutionary violence occurred in the mid 1960s, and violence associated drug trafficking emerged in the mid-1970s.

These periods of time provide context in understanding historical violence in Colombia. Across the spectrum of participants, whether they be drug-runners, guerrillas, paramilitaries, police, armed forces, or average citizens, violence has been a part of the political identity and social context in the second half of the twentieth century. As Colombia went through La Violencia (1948–1958), society witnessed a continuation of the tradition of lawlessness. The rise of cartels in the 1970s had been precipitated in an environment where violent gangs ruled the ghettos. “The gangs lived by an almost nihilistic code of fatalism, violence, and early death. They found it easy to recruit new members because of the continual influx of new immigrants to the cities.”⁸⁴ A shared sense of values was formed during this period for drug trafficking members in Colombia. For clarity, it is important to remember that the roots of late-twentieth violence pre-dated violence associated with drug trafficking. Drug violence tapped into brooding social and political conflicts that had been underlying, sometimes surfacing and sometimes deferred for decades.⁸⁵ As bloodshed associated with drug-trafficking in the 1970s ensued, this perpetual cycle of violence further engendered norms which were rooted in violence.

From a different perspective, violence is not the only aspect of shared norms and ideals for DTO members. Many ties within DTOs are familial in nature, these ties necessitated trust for illicit operations and engendered a brotherhood within the

⁸⁴ Keith Maguire, “The Rise and Fall of Pablo Escobar and the Medellin Cartel,” *The Criminologist* (1998): 96.

⁸⁵ Susan Eva Eckstein, *What Justice? Whose Justice?* (Los Angeles, CA: University of California Press, 2003), 194.

organization.⁸⁶ From an organizational standpoint, DTOs operate on a myriad of levels; while a coca farmer may not identify with a cartel captain, common identities may be formed by specialization in trade. Traffickers identify themselves as part of a specific cell or job description, i.e., distribution, transportation, or production. Moreover, interviews with DTO members illustrate claims of kinship via friendships, geographic ties, or specific job skills.⁸⁷ It is also important to note that in looking at the social base for drug traffickers, guerrillas, and paramilitaries, there is commonality. These groups draw from “localities with the same kind of socioeconomic profile.”⁸⁸ In short, the history of endemic violence coupled with a familial sense of connection among DTO members provides the basis for social cohesion. Colombian DTOs have been briefly codified in institutional analysis via structural composition, stability, behavioral control, and social cohesion. The next section summarizes findings and observations from the chapter.

C. CONCLUSION

This chapter analyzed DTOs in Colombia and looked at two facets in particular. First, when and how did DTOs emerge in Colombia? DTOs emerged as prominent drug cartels in the 1970s and have adapted to new actors such as insurgency groups and paramilitaries. Drug trafficking subsequent to the fall of major cartels in the 1970s manifested via decentralized DTOs, narco-insurgency conflicts or alliances, and narco-paramilitary alliances. Moreover, the chapter noted that state-led efforts to crack down on illicit crops in countries like Peru and Bolivia in the 1990s shifted cocaine trafficking northward to countries like Colombia. This shift within the Andes in production as well as political conditions within the state facilitated the conditions for Colombia to become a production, trafficking, and distribution country of illegal cocaine. Moreover, because of the cultivation and distribution aspect, Colombia drug trafficking focuses on the control

⁸⁶ Serrano Cadena and Rosso Jose, “Capturing the Cali Cartel: Selections from Jaque Mate,” *Crime, Law, and Social Change* (July 2003): 47.

⁸⁷ Michael Kenney, *From Pablo to Osama: Trafficking and Terrorist Networks, Government Bureaucracies, and Competitive Adaptation* (University Park, Pennsylvania: Pennsylvania University Press, 2007), 40.

⁸⁸ Frank Safford and Marco Palacios, *Colombia: Fragmented Land, Divided Society* (Oxford: Oxford University Press, 2002), 367.

of drug producing land and distributing illicit drugs on the international market. Second, this chapter illustrated how Colombian DTOs meet the criteria for being informal institutions. The characteristics of structural composition, stability, behavioral control, and social cohesion were utilized in assessing Colombian DTOs as informal institutions. This chapter provided a basis for comparison with Brazil in how DTOs emerged, and are characterized as informal institutions.

III. BRAZILIAN DTOS: ORIGINS AND INSTITUTIONAL ANALYSIS

This chapter analyzes DTOS in Brazil's favelas and looks at two facets in particular. First, when and how did DTOS emerge in Brazil's favelas? By most accounts, DTOS did not really emerge in Brazil's favelas until the 1980s. At the same time, research points out that the burgeoning drug trade (and networks) of the 1980s linked up with pre-existing criminal networks and loosely organized gangs in Brazil. Second, this chapter illustrates how Brazilian DTOS meet the criteria for being, and are best understood as informal institutions. Structural composition, stability, behavioral control, and social cohesion are utilized and found to be useful for assessing Brazilian DTOS as informal institutions. Furthermore, comparisons are made between the Colombia and Brazil case studies with regards to how DTOS emerge as informal institutions. The first section looks at when and how DTOS emerged in Brazil's favelas.

A. THE EMERGENCE OF BRAZILIAN DTOS

DTOS emerged in Brazil's favelas in the 1980s following the influx of illicit drugs into the region. Before elaborating on how Brazilian DTOS emerged, this section looks at the pre-existing conditions and considerations that laid the groundwork for the emergence of Brazilian DTOS in the 1980s. Brazil shares a porous and largely unpatrolled western border with Bolivia and Peru, contains dense jungle terrain, has sea access via coastal ports, and houses major metropolitan areas such as Rio de Janeiro and Sao Paulo. Brazil also contains favelas that are predominantly built on steep hillsides; these communities provide ideal places to hide drugs and arms and are in close proximity to prominent ports and tourist hubs, such as Rio de Janeiro and Sao Paulo.⁸⁹ The combination of increasing cocaine consumption in Rio and Sao Paulo (1950s onward), the general lack of police efforts, and weakened central authority during the Goulart era (1961–1964) created

⁸⁹ Enrique Desmond Arias, *Drugs and Democracy in Rio De Janeiro: Trafficking, Social Networks, & Public Security* (Chapel Hill, NC: The University of North Carolina Press, 2006), 31.

conditions for Brazil to become a prominent cocaine transit area.⁹⁰ Because of these conditions, Brazil emerged as a prominent route for illicit cocaine to North America and Europe in the 1960s. However, the 1964 military regime stifled drug trafficking and proliferation; the regime essentially had the same effect as the 1973 Chilean coup in blunting drug routes.⁹¹ The next paragraphs discuss the prevalence of pre-existing gangs and how these gangs developed into the DTOs of Brazil.

Prior to the expansion of the drug trade into favelas, “*bicheiros* (number runners)⁹² played a significant role in administering a drug trade dominated by small scale marijuana sales; and these were isolated from mainstream favela life.”⁹³ Moreover, violent non-state actors were already prevalent in the favelas and were characterized as gangs. In the 1970s, these gangs took shape and became organized through the prison system. It has been hypothesized that common criminals were housed with political prisoners (guerrillas), and through interaction, organizational strategies were taught and transferred.⁹⁴ This organizational basis was the beginning of the formation of more powerful gangs and the strengthening of already loosely organized gangs into DTOs.

An example is derived from the group known as *Comando Vermelho* (Red Command or CV).⁹⁵ The rise of this group coincided with democratization in the favelas as well as the aftermath of Carlos Lacerda’s (military dictatorship, 1964–1978) attempt to repress armed political opposition. The CV first emerged in the 1970s in the prison

⁹⁰ Paul Gootenberg, “The Pre-Colombian Era of Drug Trafficking in the Americas,” *The Americas* (2007): 156.

⁹¹ *Ibid.*

⁹² *Bicheiros* (number runners) are defined as lower-level bosses that engaged in racketeering and black market commodities.

⁹³ Enrique Desmond Arias, *Drugs and Democracy in Rio De Janeiro: Trafficking, Social Networks, & Public Security* (Chapel Hill, NC: The University of North Carolina Press, 2006), 26; and Caco Barcellos, *Abusado: O Dono do Morro Dona Marta* (Rio de Janeiro: Editora Record, 2003), 232–234.

⁹⁴ Enrique Desmond Arias, *Drugs and Democracy in Rio De Janeiro: Trafficking, Social Networks, & Public Security* (Chapel Hill, NC: The University of North Carolina Press, 2006), 26; Luke Dowdney, *Children of the Drug Trade: A Case Study of Children in Organised Armed Violence in Rio de Janeiro* (Rio de Janeiro: 7Letras, 2003), 29–32; and Elizabeth Leeds, “Cocaine and Parallel Politics in the Brazilian Urban Periphery: Constraints on Local Level Democratization,” *Latin American Research Review* (1996): 52–56.

⁹⁵ The Red Command or CV is a Brazilian criminal organization founded in 1979, originating from the prison system. The CV comprised of convicts as well as left-wing political prisoners.

system where members of armed political groups and common prisoners were housed together. As previously mentioned, organizational learning and initial networking incubated in these circumstances. This example illustrates the interaction between political prisoners and common prisoners and the effect of such interaction.

Common criminals saw how the political prisoners organized themselves, sharing food or money that they received from outside the prison and enforcing strict discipline that banned inmates from attacking or stealing from each other, practices which were common in prison. The political prisoners also joined together to defend any political prisoner who had been assaulted by guards or by other prisoners and to demand better conditions...The common prisoners organized themselves into a group initially called the Falange LSN. This grouping called a coletivo or collective, was not a hierarchically structured organization.⁹⁶

This example illustrates the emergence of DTOs from pre-existing conditions in the 1970s, namely the prison system of Brazil. The development of these gangs into more organized facilitators of the drug trade is discussed in further detail.

The CV has been attributed with creating working apparatus for drug trafficking in favela zones through zone control, coercion, and reciprocity with residents. Subsequent and rival groups such as the Pure Third Command and the Friends of Friends have carried out similar practices in facilitating the drug trade in the favelas. The founding leadership mainly consisted of bank robbers and some drug dealers and during the 1980s, the CV entrenched themselves further in the drug trade. A leadership group was set up via the prison system and these groups sought to establish themselves as the main retail sellers for Colombian cartels by controlling points of sale in Rio's favelas. "By 1984, traffickers associated with the CV were well on their way to controlling the drug trade in Rio, as several important *donos*, or owners of drug selling points in favelas, were part of the organization or would soon join."⁹⁷

⁹⁶ Ben Penglase, "The Bastard Child of Dictatorship: The Comando Vermelho and the Birth of "Narco-culture" in Rio de Janeiro," *Luso-Brazilian Review* 45:1 (2008): 126.

⁹⁷ Ben Penglase, "The Bastard Child of Dictatorship: The Comando Vermelho and the Birth of "Narco-culture" in Rio de Janeiro," *Luso-Brazilian Review* 45:1 (2008): 128; and Celso Amorim, *Comando Vermelho: A Historia Secreta do Crime Organizado* (Rio de Janeiro: Editora Record, 1993).

As a side observation (and one complimentary in nature), in 2005, President Lula of Brazil faced prison breakouts organized from inside prison walls. “The prison rioting and breakouts, as well as coordinated attacks on police stations, buses, and other public buildings in Sao Paulo in 2005 and 2006, were perpetrated by Brazil’s best-organized criminal group—the PCC (Primeiro Comando da Capital)—which exerts control over 140,000 in the Sao Paulo prison system.”⁹⁸ This example illustrates the preeminence of the prison system and how over time, organized gangs have exerted a great amount of control and violence within the larger Brazilian social landscape.

In short, the drug trade introduced another tool for leadership consolidation and resource accumulation for pre-existing gangs within Brazilian favelas. The burgeoning drug trade became a facet incorporated into pre-existing criminal networks, and these networks developed and flourished into DTOs. Drug dealers were able to utilize the increased flow of money to buy weapons, bribe law enforcement, and provide services to favela residents; the drug trade therefore increased the resources available to DTOs within Brazil. Moreover, not only did criminal networks flourish, but these DTOs integrated themselves and “high-jacked” favelas’ pre-existing social networks for their purposes. Brazil’s favelas are non-conducive to production and cultivation of illicit drugs, however, geographical considerations coupled with the lack of state presence within these communities facilitates the drug trade from a retail perspective. DTOs operate within the insular environment of favelas and focus on maintaining points of sale for illicit drugs. Moreover, DTOs accomplish this task by controlling favela zones both territorially and in informal governance. The next paragraphs illustrate similarities and differences between the emergence of DTOs in Colombia and Brazil.

Brazil experiences some of the same pre-existing conditions as Colombia, mostly with regards to the geographical migration of the illicit drugs out of the Andean heartland across South America in the 1950s and 1960s. Paul Gootenberg in “The Pre-Colombian Era of Drug Trafficking” (2007) traces out the migration of drug trafficking from Peru

⁹⁸ Thomas E. Skidmore, *Brazil: Five Centuries of Change* Second Edition (New York, NY: Oxford University Press, 2010), 246.

and Bolivia to border posts in Brazil in the 1950s and 1960s.⁹⁹ In Colombia, the drug trade migrated from Peru and Bolivia into the country during the same period and Colombia emerged as a drug production and distribution country. In respect to geographical migration of illicit drugs, the emergence of drug trafficking is similar in both case studies.

The first difference in how DTOs emerged in Colombia and Brazil takes into account the development of the drug trade and political considerations. Since 1958, the state of Colombia has been unable to cope with forces of partisan struggle, globalization, drug traffickers, guerrilla movements, and paramilitary organizations.¹⁰⁰ In the context of political development, the state never possessed the effective means to curtail the drug trade while coping with the other forces mentioned above. Brazil's 1964 authoritarian regime stifled the drug trade before the country could emerge as a major production or distribution conduit for illicit drugs. However, Brazil failed to curtail the influx of illicit drugs into metropolitan centers and favela zones. This difference highlights how the drug trade in Colombia was and is increasingly international while the drug trade in Brazil's favelas is much more insular in nature.

A second difference in how DTOs emerged in Colombia and Brazil takes into account actors within the drug trade. DTOs in Colombia experienced interactions with insurgency groups and paramilitaries and changed from the major cartels of the 1970s to decentralized DTOs after the fall of major cartels in the 1990s. Colombia's mafias, cartels, insurgencies, and paramilitaries were focused on control of land because land served the dual purposes of drug production and strategic positioning (with regard to civil war for insurgencies and paramilitaries).

In contrast, DTOs in Brazil's favelas manifested from previously established criminal enterprise founded on contraband, petty rackets, and marijuana sales and these DTOs were largely shaped by the prison system whereupon organizational learning was

⁹⁹ Paul Gootenberg, "The Pre-Colombian Era of Drug Trafficking in the Americas," *The Americas* (2007): 156.

¹⁰⁰ Frank Safford and Marco Palacios, *Colombia: Fragmented Land, Divided Society* (Oxford: Oxford University Press, 2002), 298.

diffused. Brazil's criminal enterprise comprised not of the rural mafias, major drug cartels, insurgency groups, or paramilitaries found in Colombia; nor have Brazil's DTOs focused on controlling land for drug production. Brazil did not experience this dynamic within its favelas, these densely populated areas were more or less spoken for. The issue for DTOs in Brazil became *access* (to points of sale) and control of pre-existing favela residencies. The absence of this dynamic in comparison with Colombia can be attributed to the lack of civil war and associated actors such as insurgencies and paramilitaries. In this respect, drug trafficking in Brazil's favelas retains a much more urban and insular characteristic because Brazilian DTOs focus on favela zones and interactions with each other. The next section illustrates how drug trafficking organizations operate as institutions within Brazilian favelas based structural composition, stability, behavioral control, and social cohesion. Moreover, comparisons are made between Colombia and Brazil as informal institutions.

B. BRAZILIAN DTOS AS INFORMAL INSTITUTIONS

This section outlines how Brazilian DTOs qualify as informal institutions. Understanding how DTOs qualify as informal institutions enhances the understanding of these organizations on three levels: first how they emerged, second, how DTOs are characterized, and finally how DTOs sustain themselves as viable institutional entities. Moreover, DTOs undergo the process of institutionalization through entrenchment and development of the institutional characteristics these organizations display. These characteristics as previously indicated are structural composition, stability, behavioral control, and social cohesion and are expounded upon in subsequent sections. Furthermore, comparisons are drawn between the case studies to expand understanding of how the DTOs operate and are characterized.

1. Structurally Connected to Society

Research and analysis illustrates drug trafficking organizations operating in ways that qualify them as informal institutions. First, DTOs are a structural feature of Brazilian society. In Rio's favelas, studies have shown that residents deal with security

by relying on drug traffickers to resolve many neighborly disputes and enforce local norms. As one favela resident put it, “we live in a state within a state...the law that operates is the law without law. That is the law of the other side, that of the traffickers. If people have a problem they go to them.”¹⁰¹ Organizations like the CV, in the 1980s practiced “neighborliness.” Drawing from founding rules within the prison system, such as the prohibition of attacking, robbing, or raping one another, traffickers associated with the CV instituted these practices in providing security and reciprocity within favela communities. In exchange for the prohibition of crime and relative security, residents would comply and protect CV members from the authorities. This system of mutual assistance allowed traffickers to leverage themselves within favela networks (citizens and associated participants) and further entrench themselves in the drug trade.¹⁰²

In the favelas, the state has historically failed in providing adequate services and security. In addition, police are often looked at with suspicion, and residents are marginalized from the judicial system. Perceptions among favela residents offer limited options in daily life. Consequently, these traffickers and gangs “provide an alternative justice system, a parallel state if you will, among the poorest, who thoroughly reject a corrupt police force and, in their everyday lives, seek some organized entity that can administer justice in the local arena.”¹⁰³

Moreover, as drug traffickers are put behind bars, more people will take their place. While there is a lack of concrete numbers of those involved in drug trafficking, an estimation model of DTO recruitment resembles a fluctuating revolving door with new members continuously pouring in. Specifically, incoming DTO recruits are mainly youths (ages twelve to seventeen) from the Brazilian favelas. In 2008, a sampling of 325 incarcerated youth (ages twelve to seventeen) in Brazil showed that 44 percent of males

¹⁰¹ Enrique Desmond Arias and Corinne Davis Rodrigues, “The Myth of Personal Security: Criminal Gangs, Dispute Resolution, and Identity in Rio de Janeiro's Favelas,” *Latin American Politics and Society* (2006): 54; Caco Barcellos, *Abusado: O Dono do Morro Dona Marta* (Rio de Janeiro: Editora Record, 2003), 210–211, 215; and Elizabeth Leeds, “Cocaine and Parallel Politics in the Brazilian Urban Periphery: Constraints on Local Level Democratization,” *Latin American Research Review* (1996): 61.

¹⁰² Ben Penglase, “The Bastard Child of Dictatorship: The Comando Vermelho and the Birth of “Narco-culture” in Rio de Janeiro,” *Luso-Brazilian Review* 45:1 (2008): 129.

¹⁰³ Donna Goldstein, *Laughter Out of Place: Race, Class, Violence and Sexuality in a Rio Shantytown* (Berkeley: University of California Press, 2003), 207.

and 53 percent of females had been involved in the drug trade in some way. The criteria for being involved in the drug trade comprised of either selling drugs, carrying drugs for other than personal use, having others sell drugs for them or working as a lookout for a drug dealer. From a sociological perspective, there were a myriad of factors attributed to youth involvement in drug trafficking, ranging from witnessing violence, gun access, lack of education, and socioeconomic status of the family. The study did not extract exclusive independent variables, but pointed to these factors as being mutually attributive in the drug trade among youth.¹⁰⁴ The convergence of these factors, favela residents interactions with drug runners, organizational entrenchment (i.e., CV, *donos* in favelas), and rising youth involvement in the drug trade illustrates an important institutional characteristic. In the case of Brazilian favelas, DTOs are not marginal actors or sporadic entities, but remain a structural societal feature that has proliferated over time. Brazilian DTOs have been described as structural features of society; the next paragraph illustrates Brazilian DTOs as stable institutions. Moreover, differences and similarities to the Colombian case study are highlighted.

2. Stability

Stability is also an institutional characteristic that drug trafficking organizations have displayed over time. Stability sets institutions apart from cyclical phenomenon or trends; in the Brazilian case, DTOs have remained a fixture on the country's historical landscape since the 1970s. In the case of Brazilian favelas, "drug trafficking emerged as a powerful force in Rio in the mid-1980s, as the country underwent a transition to democracy."¹⁰⁵ This chapter asserts that the DTOs within favelas have been the vehicle for drug trafficking since the later 1970s. Most notably, DTOs found early roots in the 1970s, proliferated and consolidated power in 1980s, and during the 1990s innovated the

¹⁰⁴ John D. McLennan, Isabel Bordin, Kathryn Bennett, Fatima Rigato, and Merlin Brinkerhoff, "Trafficking among youth in conflict with the law in Sao Paulo, Brazil," *Social Psychiatry and Psychiatric Epidemiology* 43:10 (2008): 816–823.

¹⁰⁵ Enrique Desmond Arias, "The Dynamics of Criminal Governance: Networks and Social Order in Rio de Janeiro," *Journal of Latin American Studies* (2006): 297.

trade while further entrenching themselves in Brazil's favelas. Since the 1980s, DTOs operated in favelas and sought territorial control over them.

The 1987 Santa Marta war – a weeklong struggle between rival organizations for control of the South Zone favela and its access to the expanding middle-class market brought these patterns to the attention of most for the first time. Television and journalistic coverage of the conflict made it clear that drug trafficking in the favela was no longer a homegrown phenomenon dedicated primarily to the distribution of marijuana within the neighborhood, but now involved well-connected, heavily-armed gangsters violently taking over key territory in order to sell cocaine.¹⁰⁶

This chapter has not delved into political and law enforcement corruption. However, one mark of stability as an institutional parameter requires “buy-in” from a myriad of participants to ensure longevity. Brazilian favelas incorporate many actors, and DTOs act as the conduit for drug proliferation. The involvement of corrupt police marks a system of collusion, checks, and balances among participants, as this 1993 example shows.

The notorious 1993 massacre in the North Zone favela of Vigário Geral subsequently made it clear to all observers, if there had been any remaining doubt, the position of the military police in the rise of the drug trade. Off-duty policemen slaughtered twenty-one residents of the favela in an act of vengeance after being cut out of their regular payment by the local gang leader.¹⁰⁷

Similarly, scholars have increasingly pointed to the connections among drug traffickers and politicians. In the period following Brazil's military regime, the government continued to use corruption and clientelism as control mechanisms over politicians, in turn stifling reform in judicial and law enforcement practices. DTO networks emerged in this climate with relationships between organized crime and corruption flourishing. Three types of relationships have been analyzed.¹⁰⁸ First, there

¹⁰⁶ Bryan McCann, “The Political Evolution of Rio de Janeiro's Favelas,” *Latin American Research Review* 41:3 (2006): 156.

¹⁰⁷ *Ibid.*

¹⁰⁸ Luiz de Andrade Filho, “The dynamics of drug-related organized crime and corruption in Brazil from a development perspective,” *Journal of Financial Crime* (2008): 55–56.

are sporadic contacts between organized crime and politicians to secure illegal activities. Second, there are symbiotic relationships based upon periodic contacts between organized crime and politicians to secure illegal activities. Finally, there is the implantation relationship, where criminal organizations operate openly in the legal world. In the implantation relationship, DTOs establish direct links to political parties and politicians. Case in point, the earlier 1993 massacre example, in the aftermath, the victorious faction (over control of Vigario Geral favela) nominated a candidate in the 1988 election of Association officers and won handily.¹⁰⁹ Moreover, these ties are more articulated as symbiotic relationships between DTOs, civic leaders, politicians, residency associations, the police, and residents within the favelas. The exact power positioning fluctuates among these actors at various times. However, DTOs monopolize the apparatus of violence, control physical territory, and maintain closer relationships with the community and thus are the conduit for most decisions made within these communities. Hence, as drug trafficking evolved in Rio, DTOs emerged as a “new type of political actor that is part of a wider privatization of violence whose political position in poor communities stems from an appropriation of state power.”¹¹⁰

Historical analysis of DTOs in Brazil’s favelas does not end with the 1990s or 2000s, the drug trade is still a stable feature and we observe that drug wars still rage in Rio today.¹¹¹ Stability as an institutional parameter of Brazilian DTOs is observed through the convergence of both time in operation (and existence) and established relationships with numerous actors, thus ensuring DTO viability. These observations illustrate DTOs within Brazil over time, and points to the stability of these organizations as institutions. Brazilian DTOs have been described with regard to stability. The next paragraph illustrates differences and similarities with regards to stability in Colombia.

¹⁰⁹ Bryan McCann, “The Political Evolution of Rio de Janeiro’s Favelas,” *Latin American Research Review* 41:3 (2006): 156–157.

¹¹⁰ Enrique Desmond Arias, “The Dynamics of Criminal Governance: Networks and Social Order in Rio de Janeiro,” *Journal of Latin American Studies* (2006): 298; and Martha Huggins, *Political Policing: The United States and Latin America* (Durham: Duke University Press, 1998), 201–203.

¹¹¹ CSIS, “Drug Wars in Rio de Janeiro,” Center for Strategic and International Studies: Transnational Threats Project (October 2009): 4.

Since the introduction of illicit drugs in both regions, drug trafficking has been stable; this stability has been observed despite differing contexts and changes in both countries. In this respect, the institutional parameter of stability shows little differentiation in the case studies. However, it is important to note that DTOs in both countries have achieved stability by differing means. By means, the section refers to how DTOs in both cases incorporate actors and tactics that are distinct to their respective contexts. For example, Colombian DTOs have evolved to deal directly with sweeping state-led counter-drug approaches (for example, Plan Colombia) and have had to oversee trafficking from cultivation, to production, and distribution while incorporating insurgency and paramilitary dynamics. Brazilian DTOs have not necessarily needed to deal with large or encompassing state-led approaches. Brazilian DTOs within the favelas are different by having to adapt to more local and insular incursions by the police, and on a few occasions federal forces. Moreover, Brazilian DTOs within the favelas focus more on access and points of sale within their zones and are not required to oversee cultivation or production aspects of the drug trade. These contextual differences are important to note in viewing operations within the case studies. However, as stated earlier, in the case of stability as an institutional parameter, there is little differentiation between DTOs in Colombia and Brazil. The stability of Brazilian DTOs has been discussed; the next paragraph illustrates Brazilian DTOs and the use of behavioral control. Moreover, differences and similarities in the Colombian case study are highlighted.

3. Internally Disciplined

Another institutional characteristic is behavioral control; behavioral control is described as placing expectations and rules on members within an institution.¹¹² DTOs impose limits on their members and affect individual behavior through retribution and accountability. Structurally speaking, the drug trade in Rio's favelas are organized with

¹¹² Information found on the first paragraph is derived from Enrique Desmond Arias, *Drugs and Democracy in Rio De Janeiro: Trafficking, Social Networks, & Public Security* (Chapel Hill, NC: The University of North Carolina Press, 2006), 31–32; Caco Barcellos, *Abusado: O Dono do Morro Dona Marta* (Rio de Janeiro: Editora Record, 2003), 488–489; and Luke Dowdney, *Children of the Drug Trade: A Case Study of Children in Organised Armed Violence in Rio de Janeiro* (Rio de Janeiro: 7Letras, 2003), 42–51.

participants understanding certain rules and norms. The drug trade is controlled by a *dono* (owner) who usually appoints a general manager to run day to day operations. Depending on the structure, submanagerial positions such as security chiefs and accountants are employed. In upper level dealings, those outside particular factions may purchase drugs from wholesalers, who are thought to be more powerful through international distribution connections. Within this type of structuring, the roles of each participant is understood and enforced. For example, faction members are not allowed to attack certain members, retailers, or distributors. Factions may not travel to certain areas controlled by rivals; moreover, if they attack another faction, they face the possibility of reprisal through faction alliances. Faction members are allowed to switch affiliation depending on certain circumstances and personal relationships. When it comes to faction structuring, the drug trade above the favela in Rio is loosely organized into four factions, and real power projection of these factions lies in the prison system. Within the system, a *dono* (owner)¹¹³ who “violates certain rules, such as disclosing information about the faction to the press, may have to provide some sort of accounting to the faction leadership.”¹¹⁴

An example is derived from the CV, an organization with known drug trafficking ties in the favelas. Within the CV, rules such as killing, stealing, raping, and informing were prohibited. These rule and norms were first codified within the prison system and eventually transferred to drug trafficking in the favelas.¹¹⁵ There are numerous informal rules, practices, and norms that influence the behavior of DTO members and those associated with the drug trade in the favelas. These inherent understandings and constraints constitute behavioral control on members of Brazilian DTOs, and thus,

¹¹³ A *Dono* is a lower-level boss that runs drug operations within a community or section within a community.

¹¹⁴ Enrique Desmond Arias, *Drugs and Democracy in Rio De Janeiro: Trafficking, Social Networks, & Public Security* (Chapel Hill, NC: The University of North Carolina Press, 2006), 31–32.

¹¹⁵ Ben Penglase, “The Bastard Child of Dictatorship: The Comando Vermelho and the Birth of “Narco-culture” in Rio de Janeiro,” *Luso-Brazilian Review* 45:1 (2008): 129.

emerges as an institutional parameter. Brazilian DTOs have been described with regard to behavioral control; the next paragraph illustrates differences and similarities to the Colombian case study.

DTOs in both case studies exercise a certain amount of behavioral control on its members. Simply put, the nature of drug trafficking as a criminal enterprise requires behavioral control to ensure the survivability of these organizations and its members. Regarding behavioral control as an institutional parameter, the case studies offer little differentiation. Because of the illicit nature of DTOs, there are no codified or documented rules and norms for members to abide by. In both case studies, there exists an implied understanding of rules and expectations that forms the basis of action and conduct. Furthermore, these rules and expectations are enforced through retribution and violence, the key aspect is survivability engendered among DTO members.

While behavioral control as an institutional characteristic is similar in both case studies, it is important to remember that drug trafficking entails different actors across both case studies, thus the exact forms of behavioral control may vary. In the Colombian case, there are multiple levels of horizontal and vertical accountability, especially when looking at decentralized cells of operations that emerged subsequent to the fall of major cartels. Furthermore, insurgency groups and paramilitaries have their own set of rules and norms that are both similar and different to DTOs in Colombia. Insurgency groups and paramilitaries have their own set of rules as it pertains to prosecuting civil war.

In contrast, DTOs within Brazil's favelas incorporate actors from donos (owners), to submanagerial positions, to groups¹¹⁶ associated with drug trafficking such as the *Comando Vermelho* (Red Command), *Amigos dos Amigos* (Friends of Friends), and *Terceiro Comando Puro* (Pure Third Command). All these groups have their own set of rule and norms that informally codify conduct for their members. Looking holistically at DTOs in both case studies, the fear of capture, prosecution, death, or extradition bounds all members of DTOs in following rules, norms, and expectations for members of the informal institution. There is no major divergence with regards to behavioral control in

¹¹⁶ The CV, ADA, and TCP are all rival gangs within Brazil's favelas and have known ties with illicit drugs trafficking.

both case studies, the essential similarity lies in behavioral control as a parameter of informal institutionalization. Brazilian DTOs have been described in the purview of behavioral control; the next paragraph illustrates Brazilian DTOs and social cohesion. Moreover, differences and similarities to the Colombian case study are highlighted.

4. Internally Cohesive

Lastly, a shared sense of values among members identifies an institution and gives it internal cohesion. A shared sense of values also strengthens the institution. Drug trafficking organizations share ideals, beliefs, and values which may culminate in a common social identity. The recruitment of individuals into DTOs may be predicated on the need for power, belonging, respect, security and pride. Moreover, scholars have assessed similarities between organized crime in Brazilian favelas and the “Mafia” generally. Most notably, the similarities comprise the culture of violence, conspicuous consumption, and exploitation of the weak.¹¹⁷ Other scholars point out a type of familial brotherhood and sense of organizational belonging among members in these organizations, as noted through various interviews.¹¹⁸ It is difficult to quantify empirically a shared sense of values or cultural underpinnings of DTOs in Brazil. However, there is evidence to support the notion that members within DTOs operate under a “loose” set of ideals and beliefs that solidify them as institutions.

Take for example the CV, during the 1970s, the CV “developed a distinct organizational structure and set of symbols, discourses, and tactics used to legitimize itself in Rio’s favelas.” The group utilized rhetoric espousing defending favelas against attack by outsiders, and standing up against corrupt and abusive authority. The policy of neighborliness (respecting favela residents, mutual assistance) underpinned how the CV created a type of “narco-culture” that defined the organization and its members. For some members, residing in a particular neighborhood associated with a particular

¹¹⁷ Luiz de Andrade, “The dynamics of drug-related organized crime and corruption in Brazil from a development perspective,” *Journal of Financial Crime* (2008): 55; and Ben Penglase, “The Bastard Child of Dictatorship: The Comando Vermelho and the Birth of “Narco-culture” in Rio de Janeiro,” *Luso-Brazilian Review* 45:1 (2008): 122.

¹¹⁸ Enrique Desmond Arias, *Drugs and Democracy in Rio De Janeiro: Trafficking, Social Networks, & Public Security* (Chapel Hill, NC: The University of North Carolina Press, 2006).

commando is an important part of their social identity. Graffiti, clothing, and other symbol sets articulated this sense of belonging among trafficking members.¹¹⁹

Perhaps the best illustration of cultural belonging and shared sense of ideals and beliefs lies in Brazilian *proibidao* funk (prohibited rap music).¹²⁰ This type of music covers a broad range of themes, to include violence, sexuality, and even religion. Musically, it incorporates facets of electronic beats, sound effects, samples, techno and hip-hop. Moreover, since the late 1980s, this type of music has been especially popular with youth in the favelas. Gangs and criminal factions have increasingly used and sponsored outdoor street dances known as *bailes de comunidade* (community dances) to represent and showcase their power. These dances provide a tool for DTOs within the favelas on two fronts. For one, the dances glorify the gangsters through the projection of coded overtones. Often these songs contain images and codes that reinforce the support of governance by and power of criminals within the community. Such images act to legitimize the DTOs role within the community. Second, by sponsoring these dances, the community sees these gangsters as providing a social service, which reinforces clientelistic ties already apparent. These venues also provide a backdrop for criminals to further connect with the community and entrench them within the social network.¹²¹

This chapter also alluded to the recruitment of youth into drug trafficking organizations. In Rio, “children become involved in the drug trade as young as ten or eleven, although most street-level dealers appear to be in their late teens.”¹²² A common social and prevailing identity among younger drug dealers in Rio may be centered around the common conditions of exclusion, violence, and discrimination while growing up on

¹¹⁹ Ben Penglase, “The Bastard Child of Dictatorship: The Comando Vermelho and the Birth of “Narco-culture” in Rio de Janeiro,” *Luso-Brazilian Review* 45:1 (2008): 137–138.

¹²⁰ The information within the paragraph is derived from Paul Sneed, “Bandidos de Cristo: Representations of the Power of Criminal Factions in Rio's Proibidao Funk,” *Latin American Music Review* 28:2 (2007): 220–222.

¹²¹ Enrique Desmond Arias, *Drugs and Democracy in Rio De Janeiro: Trafficking, Social Networks, & Public Security* (Chapel Hill, NC: The University of North Carolina Press, 2006), 70.

¹²² *Ibid.*, 32.

the streets of Rio.¹²³ The presence of street children reached a noticeable level in the 1960s. “The continuing urban inflow of low-skilled labor, along with makeshift settlements, increased the number of poor children perceived to be a problem, as well as the level of social desperation.”¹²⁴ These prevailing conditions among favelas youth greatly increase recruitment possibilities into DTOs. These same originating bonds are transferred and reinforced once members identify themselves with DTOs in the favelas.

The convergence of these factors, the prevailing socioeconomic background of drug runners and recruits, the use of symbols by drug trafficking organizations, and the forum of community dances synthesizes a shared sense of values among DTO members. This shared sense of ideals, beliefs, and values underpin social cohesion as an institutional parameter of Brazilian DTOs. Brazilian DTOs have been described with regard to social cohesion; the next paragraphs illustrate differences and similarities to the Colombian case study.

DTOs in both cases share ideals, beliefs, and values, and the combination of these aspects have cultivated a common social identity. From a comparative perspective, DTOs in both case studies are similar in social cohesion. One observation is that the recruitment of individuals into DTOs is predicated on the need for power, belonging, respect, security and pride.¹²⁵ In the Colombian case study, the social base for drug traffickers, guerrillas, and paramilitaries derive from commonality. These groups draw from “localities with the same kind of socioeconomic profile.”¹²⁶ Also, the youths who become increasingly involved in the drug trade in Brazil, are drawn from the same socioeconomic profile as in Colombia.

¹²³ Udi M. Butler, “Freedom, Revolt and Citizenship: Three pillars of identity for youngsters living on the streets of Rio de Janeiro,” *Childhood* (2009): 11; and John D. McLennan, Isabel Bordin, Kathryn Bennett, Fatima Rigato, and Merlin Brinkerhoff, “Trafficking among youth in conflict with the law in Sao Paulo, Brazil,” *Social Psychiatry and Psychiatric Epidemiology* 43:10 (2008): 822.

¹²⁴ “In 1990, UNICEF estimated that 7.5 million children between the ages of ten and seventeen worked in the streets. In 2002, on any given night in Rio, 4,000 to 5,000 children huddle to sleep in doorways, tunnels, and other protected areas” (MacLachlan 2003, 208).

¹²⁵ Martin Meraz Garcia, “Narcoballads: The Psychology and Recruitment Process of the Narco.” *Global Crime* (2006): 200.

¹²⁶ Frank Safford and Marco Palacios, *Colombia: Fragmented Land, Divided Society* (Oxford: Oxford University Press, 2002), 367.

The point of departure and difference is encountered when one looks at the social and political context that social cohesion formed in the case studies. In Colombia, a half century of political violence then encompassed partisan violence, mafia violence, insurgency violence and drug-related violence shaped the social context of Colombian DTO members. While Brazilian citizens and DTO members have also experienced periods of violence, this violence did not form the social context of half a century. Moreover, violence in the last half century of Brazil's history was not violence associated with insurgencies or paramilitaries. The scope and character of life in Brazil's favelas is not a composition of historic civil war as it is in Colombia. The next section summarizes findings and observations from the chapter.

C. CONCLUSION

This chapter analyzed DTOs within Brazilian favelas and looked at two facets in particular. First, when and how did DTOs become rooted in Brazilian favelas? Research points out that the burgeoning drug trade (and networks) of the 1980s linked up with pre-existing criminal networks and loosely organized gangs in Brazil. Illicit drugs migrated out of the Andes and across South America and entered into Brazil in much the same manner as Colombia. However, political conditions shaped the rising drug trade insofar as Brazil becoming a major conduit for illicit drugs, while Colombia became a major exporter of cocaine in particular. Conditions in Brazil however, failed to stifle the entrance of illicit drugs into favela zones, which lacked and still lack a significant state presence. Due to these factors, drug trafficking in Brazil is much more insular in nature because DTOs focus on controlling points of sale within these zones. Second, this chapter illustrated how Brazilian DTOs meet the criteria for being institutions based on structural composition, stability, behavioral control, and social cohesion. Important similarities and differences among institutional characteristics were outlined; these illustrated how DTOs in the cases studies are unique with regards to how they emerged and may be characterized.

Furthermore, the preceding chapters highlighted stability (or longevity) as one characteristic of DTOs as informal institutions. The next chapter illustrates the factors

that contribute to the sustainment of DTOs in the case studies of Colombia and Brazil. By understanding what sustains DTOs as informal institutions, one gains an important understanding of how DTOs proliferate in spite of numerous and comprehensive counter-drug efforts.

IV. DTOS: WHAT SUSTAINS THEM?

The preceding chapters alluded to stability (or longevity) as an institutional characteristic; this chapter aims to explain what contributes to the sustainability of DTOs in the Colombian and Brazilian case studies. The essential takeaway is to understand what holistically sustains DTOs in their respective and distinct contexts. Colombia is shaped by internal conflict and its role as a producer country. Therefore, the drug dynamic in Colombia places emphasis on control of land for drug production. Brazil on the other hand does not experience internal conflict and is not a producer country. Therefore, the drug dynamic in Brazil places emphasis on controlling internal dynamics of favela zones. These factors shape how sustainability manifests differently in the case studies. This chapter will also outline the similarities and differences between the DTOs with respect to what sustains them. The sustainability aspect of DTOs offers insight by examining factors that enable DTOs to proliferate in spite of numerous counter-drug efforts. By understanding the factors that can be attributed to the longevity of DTOs and their operations, pragmatic and comprehensive approaches can be formulated for specific contexts. In turn, these pragmatic and comprehensive approaches can curtail proliferation of the illicit drug trade in these specific case studies, and may provide a model for the future analysis in other countries.

In looking at sustainability factors, DTOs in both cases have proven to be organic, evolving entities. Sustainability in the Colombian case study is attributed to competitive adaptation in the face of specific counter-drug efforts. Competitive adaptation is shaped by civil war and Colombia's status as a producer country. In Brazil, sustainability is attributed to informal networks; the use of such networks is fueled by the insular nature of Brazil's drug trade. One must recognize that these sustainability factors are not mutually exclusive. Much deeper analysis may undoubtedly uncover DTOs in Colombia utilizing informal networks and DTOs in Brazil utilizing competitive adaptation. The next section offers more detail on how competitive adaptation emerges in the Colombian case study.

A. COLOMBIA

DTOs in Colombia entrench and empower themselves via competitive adaptation in the face of specific counter-drug efforts. To reiterate, competitive adaptation refers to how traffickers learn and change practices to outmaneuver police and state counter-drug efforts. Michael Kenney thoroughly details competitive adaptation in his book, *From Pablo to Osama* (2007). As outlined in earlier chapters, Colombia's civil war has introduced a myriad of armed actors. While these actors engaged in drug trafficking, subsequent pressure from the state prompted competitive adaptation to ensure survivability of DTOs and the drug trade. Moreover, Colombia's status as a drug producing country prompted constant innovation for delivering illicit products to the international market. Subsequent paragraphs expound on competitive adaptation. However, before delving into competitive adaptation, it is important to briefly illustrate the context that Colombian DTOs and law enforcement operate in. If traffickers are able to competitively adapt, then one might ask how law enforcement may be able to competitively adapt as well; this assertion would nullify competitive adaptation as a sustainability factor in the case study.

Competitive adaptation does not apply to agencies of the state, such as law enforcement. From a contextual point of view, law enforcement agencies are at an inherent disadvantage because of their hierarchical bureaucratic structure.¹²⁷ They face multiple decision-making layers, multiple authorities, and administrative oversight. Moreover, law enforcement agencies face complex operational environments, inter-agency cooperation challenges, and multiple jurisdictions in prosecuting the war on drugs. Furthermore, these agencies are bound by legal and bureaucratic limitations in protecting individual rights and liberties. Colombian DTOs by contrast do not face these challenges, they are characterized as fluid, flatter (organizationally), and not bound by the same constraints. They operate outside conventional rule of law and adapt quicker than

¹²⁷ Information regarding the context of competitive adaptation is derived from Michael Kenney, *From Pablo to Osama: Trafficking and Terrorist Networks, Government Bureaucracies, and Competitive Adaptation* (University Park, Pennsylvania: Pennsylvania University Press, 2007), 7, 23; Walter W. Powell, "Neither Market nor Hierarchy: Network Forms of Organization." In *Research in Organizational Behavior*, by Barry M. Straw and L.L. Cummings (Greenwich: JAI Press, 1990), 303; and Margaret E. Keck and Kathryn Sikkink, *Activists Beyond Borders: Advocacy Networks in International Politics* (Ithaca: Cornell University Press, 1998), 8.

their law enforcement counterparts because organizational survival depends on it. Trafficking networks are adaptive because they change their practices in response to counter-drug operations. For example, Colombian DTOs respond to law enforcement raids by moving shipment routes and processing labs and develop new ways to hide illicit commodities. Another example is as simple as drug runners changing phone numbers, safe houses, and other traceable footprints that can lead to their capture. Summarily put, DTOs in Colombia adapt through organizational structuring, information gathering and interpretation, and process adaptation, these processes include production, transportation, and distribution.

The many facets of competitive adaptation include compartmentalized structuring, the gathering and interpreting of information dynamically, and implementing lessons learned adaptively. First and foremost, Colombian DTOs have structured themselves into compartmentalized cells that operate without a centralized command.¹²⁸ Colombian DTOs form two basic types of networks, these are known as wheel and chain networks. Wheel networks are managed by a core group with associated nodes that perform specific tasks. These core groups contract services to nodes. These services may include transportation, distribution, equipment, intelligence and money laundering. These core groups are often headed by veteran traffickers with the knowledge and contacts to coordinate drug shipments. Chain networks by contrast operate without core groups and remain largely horizontal in nature. A chain network is decentralized and contract services without mediation from core groups. Furthermore, transactions are characterized as small, incremental movements as opposed to larger trans-national shipments. Both types of networks protect themselves from penetration by law enforcement through compartmentalizing their operations. An example is derived from an interview with a former maritime smuggler in a transportation cell, “Freddy” said, “they don’t need to know nothing about nothing, just what they need to produce.” The

¹²⁸ Information regarding structuring as it pertains to Colombia’s DTOs is derived from Michael Kenney, *From Pablo to Osama: Trafficking and Terrorist Networks, Government Bureaucracies, and Competitive Adaptation* (University Park, Pennsylvania: Pennsylvania University Press, 2007), 29–34; and Phil Williams, “Transnational Criminal Networks.” In *Networks and Netwars: The Future of Terror, Crime, and Militancy*, by John Arquilla and David Ronfeldt, (Washington, D.C.: RAND Corporation 2001), 72, 81.

reason was explained as “if you cross over the jobs, then people will know each other.”¹²⁹ The utilization of compartmentalized cells illustrates adaptation by DTOs in the wake of U.S. and Colombian tactical success against larger cartel organizations in the 1990s.

Second, Colombian DTOs gather and interpret information dynamically; this allows them to adapt more readily to counter-drug operations.¹³⁰ Specifically, Colombia’s role in production and cultivation requires increasingly innovative methods for shipping illicit drugs out of the country. Air dropping narcotics is standard practice in the drug trade; however, the specific technique of air-dropping narcotics became to be refined over time. An example comes from a drug smuggling ring led by Max Mermelstein, who ran a Colombian cell for distribution and transportation during the 1980s. It was in 1981 when U.S. law enforcement intercepted a plane carrying over \$12 million worth of cocaine. On that day, the pilot was forced to jettison the product into the Gulf of Mexico in an effort to avoid prosecution. Following the bust, Mermelstein and his crew turned the failure into innovation by utilizing air-dropping as a method of transportation after experimentation and trial runs in Colombia. Moreover, some drug runners improved on the process by utilizing radio transmitters and global positioning devices to pick up the dropped narcotics. Utilizing practice runs and props, “Mermelstein’s ring communicated the technical and experimental knowledge embedded in their routine to other nodes in the inter-organizational network,” and thus prompted a new transportation practice which is still in use today.¹³¹

¹²⁹ Michael Kenney, *From Pablo to Osama: Trafficking and Terrorist Networks, Government Bureaucracies, and Competitive Adaptation* (University Park, Pennsylvania: Pennsylvania University Press, 2007), 33.

¹³⁰ Information regarding gathering and interpreting information dynamically is derived from Michael Kenney, *From Pablo to Osama: Trafficking and Terrorist Networks, Government Bureaucracies, and Competitive Adaptation* (University Park, Pennsylvania: Pennsylvania University Press, 2007), 49–53; and Max Mermelstein, Robin Moore, and Richard Smitten, *The Man Who Made It Snow* (New York: Simon and Schuster, 1990), 115–123, 145–148, 154–155.

¹³¹ Michael Kenney, *From Pablo to Osama: Trafficking and Terrorist Networks, Government Bureaucracies, and Competitive Adaptation* (University Park, Pennsylvania: Pennsylvania University Press, 2007), 51.

Finally, while processing information dynamically is critical for implementing lessons learned to current operations truly codifies competitive adaptation.¹³² Colombia's role as a production country has prompted a trans-shipment *arms race* for getting illicit products out of the country to distribution centers or nodes. Since the late 1970s, drug-smuggling routes have changed in response to state interdiction efforts. As one route began to draw "heat" (attention), DTOs shifted their routes accordingly. When federal authorities brought pressure to cocaine smuggling in South Florida in the early 1980s, traffickers adjusted by shifted their routes easterly to places like Alabama and Texas. Besides shifting routes, traffickers also implemented a variety of air, sea, and land methods of shipment. If law enforcement concentrated on smaller planes, then DTOs employed larger craft. When law enforcement grasped sky transit, then maritime transportation evolved from standard boats to go-fast vessels to the now increasingly utilized semi-submersibles. Colombian DTOs also adapted by hiding illicit product within legitimate products in large cargo container shipments, and in some cases DTOs procured legitimate businesses to facilitate these shipments.

Strategic failures on the part of U.S. and Colombian counter-drug policy have (inconsequently) strengthened the drug trade and DTOs and has prompted DTOs to competitively adapt to survive.. Specifically, one observes that the U.S.–Colombian strategy has focused more on specific actors and supply side eradication (via aerial fumigation) as opposed to holistic counter-drug measures. Peceny and Durnan in, "The FARC's Best Friend" highlight three key trends to note.¹³³ First, the more intently U.S. policy focuses on particular source countries, the more likely that production of illicit drugs will shift to other countries, this observation most aptly correlates to the balloon effect. Second, the more intently U.S. policy focuses on particular source countries, the

¹³² Information regarding implementing lessons learned dynamically is derived from Michael Kenney, *From Pablo to Osama: Trafficking and Terrorist Networks, Government Bureaucracies, and Competitive Adaptation* (University Park, Pennsylvania: Pennsylvania University Press, 2007), 65–77; U.S. Drug Enforcement Administration, *The Illicit Drug Situation in Colombia*. DEA Intelligence Division, Washington, D.C.: Publications Unit (1993): 16; and David, black market peso broker, *Frontline: Drug Wars*. October 9-10, 2000, <http://www.pbs.org/wgbh/pages/frontline/shows/drugs/interviews/david.html> (accessed March 5, 2001).

¹³³ The three key trends are derived from Mark Peceny and Michael Durnan, "The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s," *Latin American Politics and Society* 48:2 (2006): 100.

more difficult it is for governments of source countries to forge informal public-private partnerships to control the illicit drug trade. Therefore, it is more likely that informal, armed actors will benefit from drug derived profits. Third, the more intently U.S. policy focuses on particular actors (i.e., DTOs) in particular source countries, the more likely that production of illicit drugs will shift to other countries, the more likely it is that other actors will profit from the drug trade.

The primacy of strategic failure on the part of U.S.–Colombian counter-drug policy falls on the third trend noted by Peceny and Durnan. The U.S.–Colombian counter-drug effort, which brought down prominent cartels in the 1990s, benefited insurgency groups like the FARC and ELN. As counter-drug policy shifted toward counterinsurgency and actors such as the FARC and ELN, profits from the drug trade in turn shifted toward other actors such as the paramilitaries. Efforts to demobilize paramilitaries by the Colombian government have in turn led to the creation and rise of *new* paramilitary groups that are increasingly involved in the drug trade. From a strategic standpoint, while the United States and Colombia focused on specific actors, the drug trade as facilitated by DTOs shifted accordingly.¹³⁴ This shift in drug trade dynamics characterizes adaptation by DTOs and illustrates the flawed U.S.–Colombian approach in counter-drug policy.

Specifically, how did the United States and Colombia come to focus on actors in a piecemeal fashion? Simply put, internal conflict and civil war led the United States and Colombia to focus (primarily) on one set of actors at a time. Chapter II highlighted the emergence of Colombian DTOs in the 1970s; these prominent cartels consolidated power and increased their political power through legal and illegal means. Furthermore, as DTOs engaged in political kidnappings and killings, the Colombian government became increasingly threatened as the legitimate sovereign of the state. Subsequently, Colombian

¹³⁴ Information on the subsequent paragraph is derived from Maria Clemencia Ramirez Lemus et.al., “Colombia: A Vicious Circle of Drugs and War,” In *Drugs and Democracy in Latin America: The Impact of U.S. Policy*, by Coletta A. Youngers and Eileen (Boulder, CO: Lynne Rienner Publishers, Inc., 2005), 103–107; Mark Peceny and Michael Durnan, “The FARC’s Best Friend: U.S. Antidrug Policies and the Deepening of Colombia’s Civil War in the 1990s,” *Latin American Politics and Society* 48:2 (2006): 10 – 107; and Julia E. Sweig and Michael M. McCarthy, “Colombia: Staving Off Partial Collapse,” In *The Andes in Focus: Security, Democracy & Economic Reform*, by Russell Crandall, Guadalupe Paz and Riordan Roett (Boulder, CO: Lynne Rienner Publishers, Inc., 2005), 15.

counter-drug mobilization, coupled with U.S. pressure and aid (financial, personnel, intelligence, equipment, and logistics) eventually brought down prominent cartels. The breakup of the two largest Colombian cartels in the 1990s (Medellin and Cali) did not spell the end of the drug trade however. Two important consequences are observed from the dismantling of these cartels. First, smaller, decentralized organizations filled in the vacuum left behind by larger cartels. Second, the dismantling of the cartels (specifically, the Cali cartel) removed a powerful opponent of armed insurgents such as the FARC. The removal of the cartels removed a large base of logistical and financial support for paramilitary groups which had forged alliances with cartels in combating insurgency groups. Under these conditions, the FARC was able to reestablish control of many rural zones previously held by the cartels and paramilitaries. It is also important to note that previous counter-narcotic efforts focused on drug cartels, which in turn enabled the FARC to grow in numbers, land, and weaponry.¹³⁵ Furthermore, counter-drug efforts in Peru and Bolivia shifted drug production increasingly to Colombia. The shifting of the drug industry in the 1990s into FARC controlled zones enabled the FARC to tax and gain profit from the drug trade. The resulting conditions did not stave off drug production, by “1997, Colombia became the largest producer of coca in the Andean region.”¹³⁶

The U.S. government has framed Colombia’s internal conflict around the issue of drug control as a means of gaining support and palatability for Plan Colombia, an approach that has failed.¹³⁷ The essential strategic failure within the plan was increased emphasis on counterinsurgency over time, as well as not recognizing paramilitaries as part of the drug control equation. The initial launching of Plan Colombia had a primary counter-drug focus with counterinsurgency as the secondary priority. Subsequent to the September 11, 2001, terrorist attacks on the world trade center, U.S. policy increasingly

¹³⁵ Ben Connable and Martin C. Libicki, *How Insurgencies End*, RAND Corporation Monograph Series, Santa Monica, CA: RAND Corporation (2010): 58–59.

¹³⁶ Direccion Nacional de Estupfacientes, *La Lucha de Colombia Contras las Drogas Ilicitas y Resultados 2001* (Bogota: DNE, March 2002), 16.

¹³⁷ Information on the subsequent paragraph is derived from Maria Clemencia Ramirez Lemus et.al., “Colombia: A Vicious Circle of Drugs and War,” In *Drugs and Democracy in Latin America: The Impact of U.S. Policy*, by Coletta A. Youngers and Eileen (Boulder, CO: Lynne Reinner Publishers, Inc., 2005), 105–112.

focused on armed non-state actors, such as the FARC, while counter-narcotics became secondary tasking. Examples of the shift in policy include: 1) expanded missions and units, 2) inception of the pipeline protection program in 2002,¹³⁸ and, 3) proposed increased troop levels for U.S. military personnel. The shift in policy undercut specific counter-drug efforts and diverted resources from counter-drug programs to counter-insurgency programs. Moreover, when Colombian President Alvaro Uribe took office in 2002, Colombian policy shifted toward a harder line stance with insurgencies, citing counterterrorism logic. Opponents of Plan Colombia cited how paramilitary involvement in the drug trade was not adequately addressed.

Because the U.S.–Colombian approach since 2002 had been focused on insurgency groups while failing to curtail paramilitary organizations, paramilitary groups benefitted and expanded their control of resources and land.¹³⁹ “Thus, the U.S. decision to focus its antidrug efforts on funding a counterinsurgency campaign to defeat the FARC has helped generate a powerful new player in the cocaine industry.”¹⁴⁰ The United Self-Defense Groups of Colombia (AUC) were forged in the mid-1990s in part from paramilitaries that previously worked for prominent cartels. The Colombian government and military forged relationships with the AUC, with a specific focus on combating insurgency groups. The sanctioning and support of the AUC subsequently allowed the paramilitaries to benefit from the drug trade. It also became clear that much of the violence perpetuated in Colombia in this period was, in fact committed by paramilitary groups: they were on balance responsible for the majority of human rights abuses in their period of ascendancy. The Council on Hemispheric affairs cites that paramilitary groups “averaged 300 or so human rights violations a year from 1993 to 1995 (out of

¹³⁸ The program was a response to guerrilla attacks on The Cano Limon-Covenas pipeline, which had been bombed over 200 times in a two-year period, 2000–2001.

¹³⁹ Information within the paragraph is derived from Mark Peceny and Michael Durnan, “The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s,” *Latin American Politics and Society* 48:2 (2006): 111–112.

¹⁴⁰ Mark Peceny and Michael Durnan, “The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s,” *Latin American Politics and Society* 48:2 (2006): 111.

approximately 500 civilian victims annually).¹⁴¹ Furthermore, “by 1999, over 75 percent of extrajudicial killings were being committed by paramilitary groups.”¹⁴² Undercutting the counterinsurgency focus of Plan Colombia has been a strategic failure in counter-drug policy, “at the end of 2003 Colombia was still the leading producer of cocaine in the Western Hemisphere, and the internal armed conflict was still raging.”¹⁴³ Moreover, as referenced in Chapter II, between 2003 and 2006, Colombia implemented a massive paramilitary demobilization process and the government claimed the successful demobilization of 30,000 personnel. However, since then, new groups may have emerged, and have taken over criminal operations previously run by the AUC.¹⁴⁴ Violence and human rights abuses are still committed by the *new* paramilitaries. “In 2007, after four years of demobilization, the paramilitaries committed 500 human rights abuses, more than at any time prior to 1996.”¹⁴⁵ Concurrently, as the U.S. and Colombian governments have focused on specific actors, drug operations have shifted accordingly. All the while, decentralized DTOs and other groups have facilitated the drug trade despite comprehensive counter-drug efforts. The preceding paragraphs illustrated how the civil war in Colombia shaped a piecemeal U.S.–Colombian approach toward armed actors. This approach inconsequently facilitated competitive adaptation on the part of DTOs as drug dynamics shifted according to concerted efforts of the state.

As noted, sustainability via competitive adaptation has also been shaped by Colombia’s role as a drug producing country. Because of Colombia’s role, supply-side

¹⁴¹ Rachel Wood, “Overview of the Colombian Conflict from a Human Rights-Based Methodological Perspective,” Council on Hemispheric Affairs (COHA), July 28, 2009, <http://www.coha.org/overview-of-the-colombian-conflict-from-a-human-rights-based-methodological-perspective/> (accessed May 4, 2010).

¹⁴² Susan Eva Eckstein, *What Justice? Whose Justice?* (Los Angeles, CA: University of California Press, 2003), 199.

¹⁴³ Maria Clemencia Ramirez Lemus et al., “Colombia: A Vicious Circle of Drugs and War,” In *Drugs and Democracy in Latin America: The Impact of U.S. Policy*, by Coletta A. Youngers and Eileen (Boulder, CO: Lynne Rienner Publishers, Inc., 2005), 112.

¹⁴⁴ Vanda Felbab-Brown, “Colombia: The Narco Wars,” In *Shooting Up: Counterinsurgency and the War on Drugs*, by Vanda Felbab-Brown (Washington, D.C.: The Brookings Institution, 2010), 107–109; and Human Rights Watch, *Paramilitaries’ Heirs: The New Face of Violence in Colombia*. Human Rights Watch Report, New York, NY: Human Rights Watch (2010): 3, 28–30.

¹⁴⁵ Rachel Wood, “Overview of the Colombian Conflict from a Human Rights-Based Methodological Perspective,” Council on Hemispheric Affairs (COHA), July 28, 2009, <http://www.coha.org/overview-of-the-colombian-conflict-from-a-human-rights-based-methodological-perspective/> (accessed May 4, 2010).

initiatives have more or less dominated counter-drug policy in the country. Within the purview of Plan Colombia, eradication in the form of aerial fumigation was a cornerstone for ridding illicit drugs in the country. However, while aerial fumigation has had moderate success, the approach has most aptly failed. Ramirez Lemus et al, in *Drugs and Democracy in Latin America* highlighted two trends to note: 1) sharp reductions in illicit crops in 2002–2003 did not bring cultivation down to 1998 levels, and 2) eradication in one area has give rise to cultivation in other areas. The book also cites other shortfalls in aerial fumigation such as high costs, health and environmental risks, and collateral damage.¹⁴⁶

Besides these shortfalls, aerial fumigation has the unintended consequence of strengthening DTOs through eradication's effects on illicit crop farmers. The lack of aid and crop alternatives have driven poor farmers to cultivate illicit crops, which in turn helps DTOs and stifle government eradication efforts.¹⁴⁷ Peceny and Durnan, in "The FARC's Best Friend," highlighted that fumigation is seen by farmers as an attack on their livelihood. This perception has contributed to civilian support of actors involved in the drug trade.¹⁴⁸ Furthermore, recent studies have shown that Colombia's eradication policy falls short in providing viable alternatives in coca-afflicted areas and that more assistance is needed for farmers to switch to licit crops.¹⁴⁹ Colombia is a producer country with pockets of land in and out of the control of various actors. These actors (and DTOs) have adjusted and capitalized on the failures of aerial fumigation. Utilizing competitive adaptation, DTOs have mitigated the intended consequences of eradication by shifting cultivation patterns, while also strengthening themselves via the unintended

¹⁴⁶ Maria Clemencia Ramirez Lemus et.al., "Colombia: A Vicious Circle of Drugs and War," In *Drugs and Democracy in Latin America: The Impact of U.S. Policy*, by Coletta A. Youngers and Eileen (Boulder, CO: Lynne Reinner Publishers, Inc., 2005), 112–122.

¹⁴⁷ Vanda Felbab-Brown, "Colombia: The Narco Wars," In *Shooting Up: Counterinsurgency and the War on Drugs*, by Vanda Felbab-Brown (Washington, D.C.: The Brookings Institution, 2010), 103.

¹⁴⁸ Mark Peceny and Michael Durnan, "The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s," *Latin American Politics and Society* 48:2 (2006): 109.

¹⁴⁹ Vanda Felbab-Brown, et al., *Assessment of the Implementation of the United States Government's Support for Plan Colombia's Illicit Crop Reduction Components*, United States Agency of International Development (USAID), Washington, DC: Management Systems International (2009): 48.

consequences of the state. DTOs in Colombia sustain themselves via competitive adaptation. The nature of this adaptation is shaped by Colombia's ongoing civil war and role as a drug production country.

B. BRAZIL

For the case of Brazil, sustainability can be explained by the fact that DTOs entrench and empower themselves as legitimate actors through informal social networks. The primacy of networks is fueled by two factors that shape drug dynamics within Brazil's favelas. First, Brazil lacks the civil war that is experienced in Colombia, thus DTOs in Brazil do not incorporate as many actors or shift dynamically. Second, as stated earlier, the drug trade in Brazil is much more focused on internal distribution and retail. The convergence of these factors places primacy on networks within Brazil's favelas. Subsequent paragraphs shed light on the role of networks for Brazil's drug trade.

Networks play an important role in social and democratic movements by mobilizing large groups of people that might not otherwise do so.¹⁵⁰ However, networks can also be leveraged for illegal purposes. Research indicates that DTOs entrench and empower themselves as legitimate actors through social networks. "Because of the pattern in which low-income areas in Latin American cities (like favelas) were settled, as well as the prominent role of the informal sector in local economies, disadvantaged neighborhoods in these cities are often characterized as having dense social networks."¹⁵¹ When looking at network theory, legitimacy is often placed on formal actors such as non-governmental organizations, unions, or interest groups, because these groups operate in formal channels. However, legitimacy within specific social and political contexts varies across differing case studies. The landscape of Brazil's favelas incorporates many actors

¹⁵⁰ Robert D. Putnam, *Making Democracy Work: Civic Traditions in Modern Italy* (Princeton: Princeton University Press, 1993), 181–189.

¹⁵¹ Adres Villarreal and Bráulio F.A. Silva, "Social Cohesion, Criminal Victimization and Perceived Risk of Crime in Brazilian Neighborhoods," *Social Forces* 84:3 (2006): 1726.

(residency associations, politicians, law enforcement, and drug traffickers), and research points to a burgeoning clientelism which places legitimacy on drug trafficking organizations.¹⁵²

Networks provide a basis for DTOs in Brazil to operate. Networks are horizontal, informal organizations that connect actors with similar interests.¹⁵³ Networks help member groups accomplish objectives under varied circumstances by promoting specialization among members. Furthermore, networks allow members who want to change political conditions in violent places to share risks in a way that is more difficult to stop efforts to promote change.¹⁵⁴ Specifically, networks accomplish the following: 1) bring together functionally diverse actors, 2) bring awareness of problems to state leaders in hopes of changing conditions, 3) facilitate efforts and build norms of social and political behavior, and 4) allow groups with diverse viewpoints to work together in achieving common objectives.¹⁵⁵ After preliminarily understanding social networks and how they operate, the next paragraph illustrates network theory within Brazilian favelas and provides more context.

¹⁵² Enrique Desmond Arias, "Trouble en Route: Drug Trafficking and Clientelism in Rio de Janeiro Shantytowns," *Qualitative Sociology* (2006): 428–429; and Elizabeth Leeds, "Cocaine and Parallel Politics in the Brazilian Urban Periphery: Constraints on Local Level Democratization," *Latin American Research Review* (1996): 70–73.

¹⁵³ Douglas Chalmers, Scott Martin, and Kerianne Piester, "Associative Networks: New Structures of Representation for Popular Sectors?" In *The New Inequality in Latin America: Rethinking Participation and Representation*, by Douglas Chalmers, Katherine Hite, Scott Martin, Kerianne Piester and Monique Segarra (Oxford: Oxford University Press, 1997), 567–578; and Margaret E. Keck and Kathryn Sikkink, *Activists Beyond Borders: Advocacy Networks in International Politics* (Ithaca: Cornell University Press, 1998), 8.

¹⁵⁴ Enrique Desmond Arias, "Faith in Our Neighbors: Networks and Social Order in Three Brazilian Favelas," *Latin American Politics and Society* (Spring 2004): 6.

¹⁵⁵ Margaret E. Keck and Kathryn Sikkink, *Activists Beyond Borders: Advocacy Networks in International Politics* (Ithaca: Cornell University Press, 1998), 75–120; Thomas Risse and Kathryn Sikkink, "The Socialization of International Human Rights Norms into Domestic Practices: Introduction," In *The Power of Human Rights: International Norms and Domestic Change*, by Thomas Risse, Stephen C. Ropp and Kathryn Sikkink (Cambridge: Cambridge University Press, 1999), 17–35; Sonia Alvarez, Evelina Dagnino, and Arturo Escobar, "Introduction," In *The Cultural and the Political in Latin America*, by Sonia Alvarez, Evelina Dagnino and Arturo Escobar (Boulder: Westview Press, 1998), 18; and Kathryn Hochstetler, "Democratizing Pressure from Below? Social Movements in the New Brazilian Democracy," In *Democratic Brazil: Actors, Institutions, and Processes*, by Peter R. Kingstone and Timothy J. Power (Pittsburgh: University of Pittsburgh Press, 2000), 169.

The character of the drug problem in Brazil may be exacerbated by prevailing socioeconomic conditions, namely the disparity between favelas and more developed parts of Brazil.¹⁵⁶ These conditions create an environment emphasizing the primacy of resource allocation and control; the typical favela resident does not have access to many goods and services, thus power and legitimacy is bestowed on actors that can provide commodities otherwise non-accessible. For a majority of favela history, the state was inadequate in delivering basic services to residents, in the wake, DTOs introduced themselves as a prominent power.¹⁵⁷ In this context, Brazilian DTOs focus on forging relationships with important actors for access to goods and services. By the violent nature of their existence, DTOs impose their will on actors and control the commodity of access. What we witness is the convergence of a network system. These networks are predicated on expectations and exchanges among traffickers, favela residents, politicians, and other organizations. Desmond Arias takes network theory to another level and goes beyond clientelistic¹⁵⁸ or neo-clientelistic¹⁵⁹ observations to illustrate a two-tiered clientelism. This two-tiered clientelism refers to how politicians distribute favors to traffickers, and how traffickers then redistribute those favors to favela residents. Within this system, “traffickers are free to negotiate patronage with a number of politicians but in which ordinary favela residents obtain political patronage through a single trafficker who dominates the favela they live in partially through force.”¹⁶⁰ Specifically, network operations in Brazil’s favelas can be further codified, the following paragraph breaks this down further.

¹⁵⁶ Janice Perlman, “The Metamorphosis of Marginality: Four Generations in the Favelas of Rio de Janeiro,” *The Annals of the American Academy of Political and Social Science* (2006): 155–176.

¹⁵⁷ Clarissa Huguet and Ilona Szabo de Carvalho, “Violence in the Brazilian Favelas and the Role of the Police,” *New Directions for Youth Development* (2008): 97.

¹⁵⁸ Clientelism is a system in which brokers, patrons, and clients work to distribute favors and organize votes.

¹⁵⁹ Neo-clientelism refers to the post-war urban phenomena in which independent brokers representing groups of clients move flexibly among politicians negotiating deals to provide services to residents in exchange for votes (Mainwaring 1995, 175–181).

¹⁶⁰ Enrique Desmond Arias, “Trouble en Route: Drug Trafficking and Clientelism in Rio de Janeiro Shantytowns,” *Qualitative Sociology* (2006): 428.

This network system is characterized via five factors. First, the traffickers are a constant presence providing goods and services while politicians only appear around election periods. Second, civic leaders mediate contacts between residents, politicians and criminals. Third, traffickers have more personal relations with residents than do politicians. Fourth, traffickers and residency association allies control access and resource allocation. Finally, traffickers provide an independent and personal assistance to favela residents that are differentiated from what politicians provide.¹⁶¹ Across Arias' literature, we find examples of intricate deals among AMs, traffickers and politicians. While names, dates, and locations vary, the interactions portrayed usually involved brokered interactions between traffickers and politicians through civic leaders. In exchange for favelas services, such as remodeling a building and kickers, such as money or cell phones, politicians were given access and advertisement to favela residents. In many cases, the AMs or go-betweens were given a percentage and allowed to continue in their job capacity as civic leaders. Traffickers received patronage from residents because they were perceived as providing the goods and services in question. In many cases, the vote was delivered to the politician in question.¹⁶² This section illustrated how networks in Brazil's favelas sustain clientelistic practices among traffickers, residents, residency associations, and politicians. These networks are essential in providing institutional sustainability for drug trafficking organizations in Brazilian favelas.

So, what emerges as similarities and differences in what sustains DTOs in the case studies? First and foremost, DTOs in Colombia and Brazil operate in very divergent circumstances. Brazil's political landscape does not consist of the myriad of actors involved in the drug trade in comparison to Colombia. Therefore, the Brazilian government has not needed to differentiate between actors in its own counter-drug effort. The Brazilian focus retains a counter-drug perspective as opposed to a counter-insurgency perspective that may abate or confuse state efforts (as the case for Colombia). Informal DTO networks are able to flourish in Brazil's favelas because they operate

¹⁶¹ Enrique Desmond Arias, "Trouble en Route: Drug Trafficking and Clientelism in Rio de Janeiro Shantytowns," *Qualitative Sociology* (2006): 433.

¹⁶² *Ibid.*, 435–441.

without significant state attention. Unlike Colombia, where informal armed actors threaten state sovereignty through large-scale conflict, DTOs in Brazil do not garner the same type of counter-insurgency attention. Rather, DTOs focus on internal dynamics to facilitate the drug trade. Moreover, because DTOs in Brazil deal with distribution as opposed to production and cultivation of illicit drugs, errors in aerial fumigation are removed for consideration as a strategic failure. Enrique Desmond Arias in *Drug and Democracy in Rio de Janeiro* (2006) attributes overarching differences in illegal networks as the “structural contours of criminal opportunities presented in an area.”¹⁶³ His assessment aptly applies in explaining the contextual differences between the Colombian and Brazilian case studies. However, despite these important differences, there are two important points of convergence when looking at sustainability for DTOs in the case studies.

First, DTOs in both cases have managed to supplant the formal government in areas lacking significant state presence. Second, civilians within the case studies are the important median for the proliferation of DTOs. In the Colombian case study, the informal, armed actors of major cartels, decentralized cartels, insurgencies, paramilitaries, and successor paramilitary groups have chronologically controlled areas of drug producing land. These groups in turn have controlled the drug trade. In controlling these lands, DTOs in Colombia exercise sovereignty in these lands lacking significant state presence. Brazilian DTOs have not witnessed the chronological succession of land control by actors because the drug trade occurs in pre-established favela zones. However, there have been issues of zone control as differing factions have vied for controlling points of sale in these communities. Because favelas witness a lack of significant state presence, an informal, second-tiered form of governance is practiced with DTOs in a prime role. The convergence of physical control of rural drug producing lands in Colombia and zone control in Brazil’s favelas illustrate how DTOs supplant formal governance in the areas that lack significant state presence in the case studies. This observation illustrates the first similarity in sustainability for the case studies.

¹⁶³ Enrique Desmond Arias, *Drugs and Democracy in Rio De Janeiro: Trafficking, Social Networks, & Public Security* (Chapel Hill, NC: The University of North Carolina Press, 2006), 53.

Besides the physical control of rural, drug producing land in Colombia and control of favela zones (and points of drug sales) in Brazil, the phenomenon of informal governance in these areas is facilitated by DTO interactions with the civilian base in the case studies.

In the Colombian case study, the lives of the civilian population were shaped by the myriad of political and economic actors in Colombia's historical and contemporary structure. Vanda Felbab-Brown in *Shooting Up* (2010) illustrates how various groups in the Colombian drug trade garnered political capital. In the era of prominent cartels, DTOs utilized their "role in the illicit economy as a platform for building popular support."¹⁶⁴ DTOs accomplished this by bringing in much needed capital to poorer sectors, reducing unemployment, and investing in social projects and social services. Once insurgency groups, such as the FARC, embraced the drug economy, these groups garnered political capital among the civilian base by dispensing justice, forming and regulating laws, as well as providing protection. Subsequent paramilitary groups and successor paramilitary groups have employed the same practices to garner support, albeit with limited success due to concurrent brutality experienced by the civilian base. Moreover, paramilitaries have expanded their political influence through intimidation and bribery. At the local and national levels, there is concern over how much paramilitaries have infiltrated politics. Chapter III highlighted how DTOs in Brazil utilize two-tiered clientelism to provide goods and services to favela residents. Moreover, informal networks in Brazil's favelas incorporate mediators (residency associations) to broker relationships between the DTOs, people living in the favelas, and politicians. These observations illustrate another important facet of sustainability that was highlighted in the case studies. Interactions between the DTOs and the civilian population has both actively undermined the state while serving to strengthen the DTOs' position in the social structure through their use and accumulation of political capital and economic resources they have gained over time.

¹⁶⁴ Information in this paragraph regarding Colombia is derived from Vanda Felbab-Brown, "Colombia: The Narco Wars," In *Shooting Up: Counterinsurgency and the War on Drugs*, by Vanda Felbab-Brown (Washington, D.C.: The Brookings Institution, 2010), 73, 83.

V. CONCLUSION

This thesis looked at three facets in understanding drug trafficking organizations in Colombia and Brazil, these facets included: 1) the emergence of DTOs, 2) how these DTOs meet the criteria for being informal institutions, and, 3) what sustains these organizations. Chapters II and III illustrated the emergence of DTOs in their respective case studies, while also highlighting important similarities and differences. Summarily put, drug trafficking in both cases emerged from similar geographical shifts within the drug trade. Geographic factors and political factors contributed to the structuring of the drug trade with uniqueness to the specific case studies. Drug trafficking prominently emerged in Colombia in the 1970s with a focus on controlling land for illicit crop cultivation, production, trafficking and distribution. Drug trafficking emerged in Brazil in the 1980s and focused on controlling illicit points of sale within favela zones. In this respect, the Brazilian case study is much more insular and internally focused. DTOs in both case studies emerged from pre-existing conditions, actors, and characteristics congruent with criminal enterprise. However, political conditions in Colombia created actors unique to the Colombian case. In this respect, understanding the proliferation of drug trafficking and associated organizations requires: 1) recognizing how the myriad of actors have contributed to drug dynamics, and, 2) how political conditions and policy have shaped drug dynamics within the country. Conditions within Brazil are also complex; the proliferation of DTOs within the auspices of favela “brown zones” is facilitated by complex relationships and dynamics within these areas.

This thesis also established DTOs in Colombia and Brazil as informal institutions. Holistically and summarily, there was little differentiation between DTOs when looking at the characteristics of structural composition, stability, behavioral control, and social cohesion. Similarities can be attributed to the shared nature of criminal enterprise. From this perspective, these institutions (DTOs) aim to survive and remain viable in the drug trade despite counter-drug approaches. Therefore, actors within these institutions (DTOs) are shaped by similar motivations and constraints, and thus display similar institutional

characteristics. However, when looking at the informal institutionalization of DTOs in the respective case studies, context provides differentiation.

Differences in structural composition, stability, behavioral control, and social cohesion emerge when looking at specific contexts. DTOs in Colombia are a structural feature of society and are stable institutions, much like in Brazil. However, the Colombian landscape incorporates different actors; furthermore, stability takes into account the changing dynamic of the drug trade as the myriad of actors exercised differing amounts of control and primacy depending on political circumstances. Behavioral control and social cohesion also manifest uniquely in the case studies. DTOs in both case studies utilize behavioral control and display social cohesion. Behavioral control is premised on placing implied rules, expectations, and norms on members while accountability is mostly enforced through violence. Social cohesion is observed similarly because DTOs in both cases comprise of people with roughly the same socioeconomic profile. However, differences can be garnered when taking into account specific contexts within the Colombian and Brazilian drug trade. Finally, the third facet analyzed comprised of sustainability applied to DTOs in the case studies. In Colombia, sustainability is attributed to competitive adaptation and strategic failures in U.S. and Colombian policies. In Brazil, sustainability is attributed to informal networks. Differences and similarities were highlighted earlier in this chapter. The thesis concedes that these sustainability factors are not mutually exclusive. Much deeper analysis may undoubtedly uncover DTOs in Colombia utilizing informal networks and DTOs in Brazil utilizing competitive adaptation. Moreover, Brazilian counter-drug policy may indeed have its own strategic shortfalls. However, the essential take-away is what sustains these DTOs in their respective contexts. Subsequent paragraphs address how the proliferation of DTOs can be mitigated in the case studies of Colombia and Brazil.

The drug trade in Colombia has historically centered on the control of drug producing land. However, as Chapter IV highlighted, U.S.–Colombian policy has focused on specific actors and supply eradication approaches, these strategies have amounted to strategic failures. The underlying issue is to systematically and holistically control drug-producing land. Moreover, control of this land must be garnered with

legitimacy by the state. In this regard, three key issues need to be addressed if Colombia is to move forward from attacking insurgency to getting back to countering its drug problem. First and foremost, *true* demobilization and repatriation of armed actors is required to remove violence as a tool for controlling land. Concurrent with this first point, the Colombian military needs continuous professionalization and education to avoid the current paramilitary phenomenon.

Second, supply-side eradication (aerial fumigation) needs to be revamped. By providing viable alternatives and assistance to farmers that grow illicit crops, the phenomenon of the balloon effect can be mitigated while gaining the support and trust of the civilian population. Assistance should be comprehensive in nature and incorporate developmental aspects of rural land. Vanda Felbab-Brown, in testimony before the U.S. House of Representatives (Domestic Policy Subcommittee of the Oversight and Government Reform Committee) on April 14, 2010 stated:

Effective rural development does require not only proper sequencing with eradication and security, but also a *well-funded, long-lasting, and comprehensive approach* that does not center merely on searching for the replacement crop. Alternative developments need to address all the structural drivers of why communities participate in illegal economies—such as access to markets and their development, deficiencies in infrastructure and irrigation systems, access to microcredit, and the establishment of value-added chains.¹⁶⁵

Third, in the backdrop of these approaches, political and social institutions must be strengthened for any gains to be substantiated over time. The amount of money and hardware dedicated toward military and supply-side solutions siphons off important resources for longer-term solutions. The convergence of these factors may not curtail global demand for drugs, but will significantly improve conditions in Colombia. If gains in these areas are realized, then the government of Colombia will subsequently control drug-producing land. The control of such land has been the focal point for the

¹⁶⁵ Vanda Felbab-Brown, “The Design and Resourcing of Supply-Side Counternarcotics Policies.” Brookings Institution. April 14, 2010, http://www.brookings.edu/testimony/2010/0414_drug_funding_felbabbrown.aspx (accessed April 14, 2010).

proliferation of drug trafficking and associated organizations, both historically and in contemporary studies. The next paragraph addresses how the proliferation of DTOs can be mitigated in Brazil.

Brazil's drug trafficking problem can be attributed to numerous converging factors. The prevailing conditions of socioeconomic inequality and lack of state capacity within the favelas are structural parameters to understanding Brazil's drug problem as a whole. These problems are challenging and require comprehensive approaches with broadened state resources. First and foremost, Brazil is a large consumer market for illicit drugs. While traditional supply side approaches fail to rid Latin America of drugs, demand side education and rehabilitation programs should be utilized in Brazilian favelas.¹⁶⁶ Second, breaking the cycle of poverty, inequality, and recruitment into DTOs is a question of long-term investment in human capital (meaning investing in education and health). *Bolsa Familia* in Brazil is a program that "provides cash subsidies for the poor in return for a combination of regular school attendance by their children and use of preventive medical care. Evidence shows that these programs are instrumental in reducing poverty and increasing primary and secondary school attendance, at least in the short term."¹⁶⁷ Lastly, if we assume networks to be the sustaining factor of drug trafficking organizations then there might be viable comprehensive approaches to mitigate DTO influence within these networks. "Competing networks may be introduced that bring residents, civic leaders, and state actors together to collectively resolve drug trafficking and local violence."¹⁶⁸ The exact dynamics of competing networks should be further researched and important questions should be asked. What are the critical junctures to introduce new networks, and how can competing networks avoid the violent and insular characteristics of entrenched DTOs within Brazilian favelas?

¹⁶⁶ Latin American Commission on Drugs and Democracy, "Drugs and Democracy: Toward a Paradigm Shift," Latin American Commission on Drugs & Democracy, Rio de Janeiro: Latin American Commission on Drugs & Democracy (2009), 8–9.

¹⁶⁷ James T. Hill, Charlene Barshefsky, and Shannon K. O'Neil, U.S.-Latin American Relations: A New Direction for a New Reality, Independent Task Force Report No. 60, New York, NY: Council on Foreign Relations (2008): 20.

¹⁶⁸ Enrique Desmond Arias, *Drugs and Democracy in Rio De Janeiro: Trafficking, Social Networks, & Public Security* (Chapel Hill, NC: The University of North Carolina Press, 2006), 206.

LIST OF REFERENCES

- Alvarez, Sonia, Evelina Dagnino, and Arturo Escobar. "Introduction." In *The Cultural and the Political in Latin America*, by Sonia Alvarez, Evelina Dagnino and Arturo Escobar, 1–32. Boulder: Westview Press, 1998.
- Amorim, Celso. *Comando Vermelho: A Historia Secreta do Crime Organizado*. Rio de Janeiro: Editora Record, 1993.
- Andrade Filho, Luiz de. "The dynamics of drug-related organized crime and corruption in Brazil from a development perspective." *Journal of Financial Crime*, 2008: 49–59.
- Arias, Enrique Desmond. *Drugs and Democracy in Rio De Janeiro: Trafficking, Social Networks, & Public Security*. Chapel Hill, NC: The University of North Carolina Press, 2006.
- . "Faith in Our Neighbors: Networks and Social Order in Three Brazilian Favelas." *Latin American Politics and Society*, Spring 2004: 1–38.
- . "The Dynamics of Criminal Governance: Networks and Social Order in Rio de Janeiro." *Journal of Latin American Studies*, 2006: 293–325.
- . "Trouble en Route: Drug Trafficking and Clientelism in Rio de Janeiro Shantytowns." *Qualitative Sociology*, 2006: 427–445.
- , and Corinne Davis Rodrigues. "The Myth of Personal Security: Criminal Gangs, Dispute Resolution, and Identity in Rio de Janeiro's Favelas." *Latin American Politics and Society*, 2006: 53–81.
- Barcellos, Caco. *Abusado: O Dono do Morro Dona Marta*. Rio de Janeiro: Editora Record, 2003.
- Beittel, June S. *Colombia: Issues for Congress*. CRS Report for Congress: RL 32250, Washington, D.C.: Congressional Research Service, 2009.
- Beltran, Adriana. *The Captive State: Organized Crime and Human Rights in Latin America*. WOLA Special Report, Washington, D.C.: Washington Office on Latin America, October 2007.
- Bowden, Mark. *Killing Pablo: The Hunt for the World's Greatest Outlaw*. New York, NY: Penguin Books, 2001.

- Buckwalter, David T., and Dana E. Struckman. "Colombia: Mission Impossible?" In *Case Studies in Policy Making 10th Edition*, by Kevin Hansen, 79–102. Newport, RI: United States Naval War College, 2007.
- Burton, Fred, and Ben West. *Stratfor: Global Intelligence*. April 15, 2009.
http://www.stratfor.com/weekly/20090415_when_mexican_drug_trade_hits_border
 er (accessed May 13, 2009).
- Butler, Udi M. "Freedom, Revolt and Citizenship: Three pillars of identity for youngsters living on the streets of Rio de Janeiro." *Childhood*, 2009: 11–29.
- Cadena, Jose Rosso Serrano. "Capturing the Cali Cartel: Selections from Jaque Mate." *Crime, Law, and Social Change*, July 2003: 43–59.
- Call, Charles, T. *From "partisan cleansing" to power-sharing?: Lessons for security from Colombia's national front*. Stanford University, Stanford: Center for International Security and Arms Control, 1995.
- Chalmers, Douglas, Scott Martin, and Kerianne Piester. "Associative Networks: New Structures of Representation for Popular Sectors?" In *The New Inequality in Latin America: Rethinking Participation and Representation*, by Douglas Chalmers, Katherine Hite, Scott Martin, Kerianne Piester and Monique Segarra, 543–582. Oxford: Oxford University Press, 1997.
- "Colombia politics: Free at last." *EIU ViewsWire*, July 2008.
- Connable, Ben, and Martin C. Libicki. *How Insurgencies End*. RAND Corporation Monograph Series, Santa Monica, CA: RAND Corporation, 2010.
- CSIS. "Drug Wars in Rio de Janeiro." *Center for Strategic and International Studies: Transnational Threats Project*, October 2009: 4.
- "David, black market peso broker." *Frontline: Drug Wars*. October 9–10, 2000.
<http://www.pbs.org/wgbh/pages/frontline/shows/drugs/interviews/david.html>
 (accessed March 5, 2001).
- DeShazo, Peter, Tanya Primiani, and Phillip McLean. *Back from the Brink: Evaluating Progress in Colombia, 1999–2007*. Center for Strategic and International Studies, Washington, D.C.: CSIS, November 2007.
- Direcion Nacional de Estupfacientes. *La Lucha de Colombia Contras las Drogas Illicitas y Resultados 2001*. Bogota: DNE, March 2002.

- Dowdney, Luke. *Children of the Drug Trade: A Case Study of Children in Organised Armed Violence in Rio de Janeiro*. Rio de Janeiro: 7Letras, 2003.
- Eckstein, Susan Eva. *What Justice? Whose Justice?* Los Angeles, CA: University of California Press, 2003.
- Edberg, Mark Cameron. *El Narcotraficante: Narcocorridos and the Construction of a Cultural Persona on the U.S.–Mexico Border*. Austin, TX: University of Texas Press, 2004.
- Felbab-Brown, Vanda. "Colombia: The Narco Wars." In *Shooting Up: Counterinsurgency and the War on Drugs*, by Vanda Felbab-Brown, 69–111. Washington, D.C.: The Brookings Institution, 2010.
- . "The Design and Resourcing of Supply-Side Counternarcotics Policies." *Brookings Institution*. April 14, 2010.
http://www.brookings.edu/testimony/2010/0414_drug_funding_felbabbrown.aspx
 (accessed April 14, 2010).
- , et al. *Assessment of the Implementation of the United States Government's Support for Plan Colombia's Illicit Crop Reduction Components*. United States Agency of International Development (USAID), Washington, DC: Management Systems International, 2009.
- GAO. *Plan Colombia: Drug reduction goals were not fully met, but security has improved; U.S. agencies need more detailed plans for reducing assistance*. GAO Report 09-71, Washington, D.C.: Government Accountability Office, October 2008.
- Garcia, Martin Meraz. "Narcoballads: The Psychology and Recruitment Process of the Narco." *Global Crime*, 2006: 200–213.
- Gaviria, Alejandro. "Social Mobility and Preferences for Redistribution in Latin America." *Economia*, 2007: 55–96.
- Goldstein, Donna. *Laughter Out of Place: Race, Class, Violence and Sexuality in a Rio Shantytown*. Berkely: University of California Press, 2003.
- , and Enrique Desmond Arias. "Drugs and Democracy in Rio de Janeiro (review)." *Contemporary Sociology*, 2008: 578–579.
- Gootenberg, Paul. *Andean Cocaine: The Making of a Global Drug*. Chapel Hill: University of North Carolina Press, 2008.

- . "The Pre-Colombian Era of Drug Trafficking in the Americas." *The Americas*, 2007: 133–176.
- Gutierrez, Francisco, and Luisa Ramirez. "The Tense Relationship between Democracy and Violence in Colombia, 1974–2001." In *Politics in the Andes: Identity, Conflict, Reform*, by Jo-Marie Burt and Philip Mauceri, 228–246. Pittsburgh: University of Pittsburgh, 2004.
- Hall, Peter A., and Rosemary C. R. Taylor. *Political Science and the Three New Institutionalisms*. MPIFG Discussion Paper, Cambridge, MA: MPIFG Scientific Advisory Board, June 1996.
- Helmke, Gretchen, and Steven Levitsky. "Informal Institutions and Comparative Politics: A Research Agenda." *Perspective on Politics* 2:4, December 2004: 725–740.
- . *Informal Institutions and Democracy: Lessons from Latin America*. Baltimore, MD: Johns Hopkins University Press, 2006.
- Hill, James T, Charlene Barshefsky, and Shannon K. O'Neil. *U.S.–Latin American Relations: A New Direction for a New Reality*. Independent Task Force Report No. 60, New York, NY: Council on Foreign Relations, 2008.
- Hochstetler, Kathryn. "Democratizing Pressure from Below? Social Movements in the New Brazilian Democracy." In *Democratic Brazil: Actors, Institutions, and Processes*, by Peter R. Kingstone and Timothy J. Power, 167–184. Pittsburgh: University of Pittsburgh Press, 2000.
- Huggins, Martha. *Political Policing: The United States and Latin America*. Durham: Duke University Press, 1998.
- Huguet, Clarissa, and Ilona Szabo de Carvalho. "Violence in the Brazilian Favelas and the Role of the Police." *New Directions for Youth Development*, 2008: 93–109.
- Human Rights Watch. *Paramilitaries' Heirs: The New Face of Violence in Colombia*. Human Rights Watch Report, New York, NY: Human Rights Watch, 2010.
- Huntington, Samuel P. "Political Development and Political Decay." *World Politics* 17, no. 3, 1965: 386–430.
- Keck, Margaret E., and Kathryn Sikkink. *Activists Beyond Borders: Advocacy Networks in International Politics*. Ithaca: Cornell University Press, 1998.

- Kenney, Michael. *From Pablo to Osama: Trafficking and Terrorist Networks, Government Bureaucracies, and Competitive Adaptation*. University Park, Pennsylvania: Pennsylvania University Press, 2007.
- Kuper, Adam, and Jessica Kuper. *The Social Science Encyclopedia*. 2nd Ed. New York, NY: Routledge, 1996.
- Latin American Commission on Drugs & Democracy. "Drugs and Democracy: Toward a Paradigm Shift." *Latin American Commission on Drugs & Democracy*. Rio de Janerio: Latin American Commission on Drugs & Democracy, 2009. 5–11.
- Lee III, Rensselaer W., Francisco E. Thoumi, and Pimentel. "Chapter 3: Drugs and Democracy in Colombia." In *Menace to Society: Political-Criminal Collaboration Around the World*, by Roy Godson, 71–97. New Brunswick; London, U.K.: Transaction Publishers, 2003.
- Leeds, Elizabeth. "Cocaine and Parallel Politics in the Brazilian Urban Periphery: Constraints on Local Level Democratization." *Latin American Research Review*, 1996: 47–83.
- Lemus, Maria Clemencia Ramirez, Kimberly Stanton, and John Walsh. "Colombia: A Vicious Circle of Drugs and War." In *Drugs and Democracy in Latin America: The Impact of U.S. Policy*, by Coletta A. Youngers and Eileen Rosin, 99–142. Boulder, CO: Lynne Reinner Publishers, Inc., 2005.
- Lopez, J. Humberto, and Guillermo Perry. *Inequality in Latin America: Determinants and Consequences*. Policy Research Working Paper 4504, Washington, D.C.: The World Bank, 2008.
- Lugar, Richard G. *Plan Colombia: Elements for Success*. Staff Trip Report, Washington, D.C.: Committee on Foreign Relations, United States Senate, December 2005.
- MacLachlan, Colin M. *A History of Modern Brazil: The Past against the Future*. Wilmington, DE: Scholarly Resources Inc., 2003.
- Maguire, Keith. "The Rise and Fall of Pablo Escobar and the Medellin Cartel." *The Criminologist*, 1998: 95–107.
- Mainwaring, Scott. "Brazil: Weak parties, feckless democracy." In *Building Democratic Institutions: Party Systems in Latin America*, by Scott Mainwaring and T. Scully, 175–181. Stanford: Stanford University Press, 1995.

- Marcella, Grabriel. *Democratic Governance and the Rule of Law: Lessons from Colombia*. Strategic Studies Institute Report, Carlisle, PA: Strategic Studies Institute, December 2009.
- March, James G., and Johan P. Olsen. "Chapter 34: The Logic of Appropriateness." In *The Oxford Handbook of Public Policy*, by Michael Moran, Martin Rein and Robert E. Goodwin, 690–708. New York, NY: Oxford University Press, 2008.
- . *Rediscovering Institutions*. New York: Free Press, 1989.
- McCann, Bryan. "The Political Evolution of Rio de Janeiro's Favelas." *Latin American Research Review* 41:3, 2006: 149–163.
- McGuire, Marvin H., and Steven M. Carroll. *The Economics of the Drug War: Effective Federal Policy or Missed Opportunity?* Master's Thesis, Monterey, CA: Naval Postgraduate School, June 2002.
- McLennan, John D., Isabel Bordin, Kathryn Bennett, Fatima Rigato, and Merlin Brinkerhoff. "Trafficking among youth in conflict with the law in Sao Paulo, Brazil." *Social Psychiatry and Psychiatric Epidemiology* 43:10, 2008: 816–823.
- Mermelstein, Max, Robin Moore, and Richard Smitten. *The Man Who Made It Snow*. New York: Simon and Schuster, 1990.
- O'Donnell, Guillermo. "On the State, Democratization and Some Conceptual Problems: A Latin American View." *World Development* 21, No.8, August 1993: 1355–1369.
- Peceny, Mark, and Michael Durnan. "The FARC's Best Friend: U.S. Antidrug Policies and the Deepening of Colombia's Civil War in the 1990s." *Latin American Politics and Society* 48:2, 2006: 95–116.
- Penglase, Ben. "The Bastard Child of Dictatorship: The Comando Vermelho and the Birth of "Narco-culture" in Rio de Janeiro." *Luso-Brazilian Review* 45:1, 2008: 118–145.
- Perlman, Janice. "The Metamorphosis of Marginality: Four Generations in the Favelas of Rio de Janeiro." *The Annals of the American Academy of Political and Social Science*, 2006: 155–177.
- Pinheiro, Alvaro de Souza. *Narcoterrorism in Latin America: A Brazilian Perspective*. JSOU Report 06-04, Hurlburt Field, Florida: The Joint Special Operations University Press, 2006.

- Portes, Alejandro et al. *The Informal Economy: Studies in Advanced and Less Developed Countries*. Baltimore, MD: John Hopkins University Press, 1989.
- Powell, Walter. "Neither Market nor Hierarchy." In *The Handbook of Economic Sociology*, by Neil J. Smelser and Richard Swedberg, 368–402. Princeton: Princeton University Press, 1994.
- . "Neither Market nor Hierarchy: Network Forms of Organization." In *Research in Organizational Behavior*, by Barry M. Straw and L.L. Cummings, 303. Greenwich: JAI Press, 1990.
- Putnam, Robert D. *Making Democracy Work: Civic Traditions in Modern Italy*. Princeton: Princeton University Press, 1993.
- Risse, Thomas, and Kathryn Sikkink. "The Socialization of International Human Rights Norms into Domestic Practices: Introduction." In *The Power of Human Rights: International Norms and Domestic Change*, by Thomas Risse, Stephen C. Ropp and Kathryn Sikkink, 1–35. Cambridge: Cambridge University Press, 1999.
- Romero, Fernando, and Lar. *Hyper-Border: The Contemporary U.S.–Mexico Border and its Future*. New York, NY: Princeton Architectural Press, 2008.
- Safford, Frank, and Marco Palacios. *Colombia: Fragmented Land, Divided Society*. Oxford: Oxford University Press, 2002.
- Schneider, Friedrich, and Enste H. Dominik. "Shadow Economies: Size, Causes, and Consequences." *Journal of Economic Literature*, Vol.38, No.1, March 2000: 77–114.
- Seelke, Clare R. *Merida Initiative for Mexico and Central America: Funding and Policy Issues*. Washington, D.C.: Congressional Research Service, January 13, 2009.
- Shifter, Michael. "Latin America's Drug Problem." *Current History*, February 2007: 58–61.
- Skidmore, Thomas E. *Brazil: Five Centuries of Change Second Edition*. New York, NY: Oxford University Press, 2010.
- Sneed, Paul. "Bandidos de Cristo: Representations of the Power of Criminal Factions in Rio's Proibidao Funk." *Latin American Music Review* 28:2, 2007: 220–241.

- Sweig, Julia E., and Michael M. McCarthy. "Colombia: Staving Off Partial Collapse." In *The Andes in Focus: Security, Democracy & Economic Reform*, by Russell Crandall, Guadalupe Paz and Riordan Roett, 11–43. Boulder, CO: Lynne Rienner Publishers, Inc., 2005.
- U.S. Drug Enforcement Administration. *The Illicit Drug Situation in Colombia*. DEA Intelligence Division, Washington, D.C.: Publications Unit, 1993.
- United Nations Office on Drugs and Crime. *Trends in World Drug Markets: 1.3 Coca / Cocaine Market*. World Drug Report, New York, NY: United Nations Publications, 2007.
- Uzzi, Brian. "The Sources and Consequences of Embeddedness for the Economic Performance of Organizations." *American Sociological Review* 61 (August), 1996: 674–698.
- Veltmeyer, Henry, and James Petras. "Social Structure and Change in Latin America." In *Latin America: Its Problems and Its Promise*, by Jan Knippers Black, 129–138. New York, NY: Westview Press, 2005.
- Villarreal, Adres, and Braulio F.A. Silva. "Social Cohesion, Criminal Victimization and Perceived Risk of Crime in Brazilian Neighborhoods." *Social Forces* 84:3, 2006: 1725–1753.
- Williams, Phil. "Transnational Criminal Networks." In *Networks and Netwars: The Future of Terror, Crime, and Militancy*, by John Arquilla and David Ronfeldt, 72–81. Washington, D.C.: RAND Corporation, 2001.
- Wood, Rachel. "Overview of the Colombian Conflict from a Human Rights-Based Methodological Perspective." *Council on Hemispheric Affairs (COHA)*. July 28, 2009. <http://www.coha.org/overview-of-the-colombian-conflict-from-a-human-rights-based-methodological-perspective/> (accessed May 4, 2010).

INITIAL DISTRIBUTION LIST

1. Defense Technical Information Center
Ft. Belvoir, Virginia
2. Dudley Knox Library
Naval Postgraduate School
Monterey, California